

WASHINGTON STATE GAMBLING COMMISSION

BINGO Class A-C

LICENSEE

TRAINING

The purpose of this handout is to introduce you to the rules governing the operation of BINGO in Washington State. This handout will include bingo rules, general rules, and record keeping requirements.

The date on the cover sheet of this handout indicates the latest revision to reflect rules changes by the Commission.

This material includes the following 230 WAC sections effective December 2011:

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- II. 230-07 Charitable and Nonprofit Rules
- III. 230-10 Bingo Rules
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Chapter 230-06 WAC

RULES FOR ALL LICENSEES

WAC

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230-06-060	Maintain copy of commission rules on business premises. [Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-060, filed 8/22/06, effective 1/1/08.] Repealed by 11-05-058 (Order 675), filed 2/10/11, effective 3/13/11. Statutory Authority: RCW 9.46.070.
230-06-115	Using checks or credit cards to purchase gambling equipment, products, or services. [Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-115, filed 8/22/06, effective 1/1/08.] Repealed by 08-21-087 (Order 633), filed 10/14/08, effective 1/1/09. Statutory Authority: RCW 9.46.070.

RULES FOR CONDUCTING A GAMBLING ACTIVITY

WAC 230-06-002 "We," "our," and "us" mean the commission and staff. In this title, "we," "our," and "us" mean the designated commission staff. If a rule refers to the powers or duties of the commissioners or the director or director's designee, the rule states specifically "commissioners" or "director or director's designee."

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-002, filed 10/22/07, effective 1/1/08.]

WAC 230-06-003 Defining "cash." "Cash," when used as a noun in this title, means currency in the form of coins or bills issued by the government of the United States or Canada only and does not include electronic, digital or other representations of money or other methods of payment.

[Statutory Authority: RCW 9.46.070. 08-03-052 (Order 621), § 230-06-003, filed 1/11/08, effective 2/11/08.]

WAC 230-06-004 Defining "consecutively numbered," "consecutive," and "consecutively." (1) "Consecutively numbered" means a numbering system normally beginning with the number one, increased by one for each unit added to the group, and ending with a number equal to the total number of units in the group.

(2) "Consecutive" and "consecutively" mean one after the other without gaps.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-004, filed 10/22/07, effective 1/1/08.]

WAC 230-06-005 Accept checks in gambling activities. (1) Licensees may accept a check in the place of cash from a player for authorized gambling activities if the check is fully negotiable when it is accepted and is:

(a) From the player's personal account and is dated the same day; or

(b) Issued by a government agency or by a business, such as a payroll check.

(2) Licensees must not accept:

(a) Third-party checks drawn on a personal account or counter checks; or

(b) Checks from a player who owes the licensee money from a previous returned personal check. If licensees use check guarantee and collection services, this subsection does not apply.

(3) If licensees accept a check in violation of the provisions of this section, they are violating the rules against extending credit.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-005, filed 8/22/06, effective 1/1/08.]

WAC 230-06-007 Licensed employees must wear nametags. (1) Licensed employees must wear a nametag when working or playing cards at their place of employment.

(2) Off-duty card room employees do not have to wear a nametag while playing if the card room operator clearly posts a sign stating, "Employees of this card room may participate in the card games while off-duty as players. Upon your request, the card room floor person will identify any employee playing cards."

(3) The nametag must:

(a) Be provided by the operator; and

(b) Be a minimum of three inches by two inches; and

(c) Display at least the employee's first name; and

(d) Display the employer's name; and

(e) Be worn on the employee's chest; and

(f) Be clear and visible to the players in the gambling activity.

(4) The employee and operator are equally responsible to ensure the nametag is properly displayed.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-06-007, filed 1/14/08, effective 2/14/08.]

WAC 230-06-010 Age restrictions for players. No person must allow anyone under the age of eighteen to participate in gambling activities except:

(1) To play in licensed bingo games when accompanied by an adult member of his or her immediate family or a guardian, who is at least eighteen years old:

(a) "Immediate family" means only the spouse, parents, or grandparents of an individual; and

(b) "Guardian" means only a court-appointed, legal guardian of an individual; or

(2) To play bingo at agricultural fairs or school carnivals; or

(3) To play amusement games; or

(4) To sell raffle tickets for a charitable or nonprofit organization that:

(a) Has development of youth as a primary purpose; and

(b) Has at least three members or advisors who are at least eighteen years old and who supervise the operation of the raffle; and

(c) Has an adult member or advisor designated as the manager for the raffle.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-010, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-010, filed 8/22/06, effective 1/1/08.]

WAC 230-06-011 Detaining and identifying persons under eighteen years of age engaging in or attempting to engage in authorized gambling activities. When issuing civil infractions under RCW 9.46.228, gambling commission special agents or peace officers may detain persons for a reasonable period of time and in a reasonable manner to determine the person's true identity and date of birth if the special agent or peace officer has reasonable grounds to believe that:

(1) The person is under eighteen years of age; and

(2) The person is, or has played or participated in, or is attempting or has attempted to play or participate in authorized gambling activities including, but not limited to, punch boards, pull-tabs, card games, or fund-raising events.

[Statutory Authority: RCW 9.46.070. 09-19-082 (Order 659), § 230-06-011, filed 9/17/09, effective 10/18/09.]

WAC 230-06-012 Conducting underage compliance test programs with minors. (1) Licensees may conduct in-house controlled purchase programs (underage compliance test programs) to test their employee's compliance with RCW 9.46.228 that makes it unlawful for any person under the age of eighteen to play punch boards, pull-tabs, card games, or participate in fund-raising events.

(2) Licensees must:

(a) Have written procedures for conducting underage compliance test programs.

(i) Class F or house-banked card game licensees must include the procedures in their internal controls; or

(ii) Licensees not required to have internal controls must submit their procedures to us prior to conducting an underage compliance test and keep a copy of the procedures on the licensed business premises; and

(b) Provide employees a written description of the employer's underage compliance test program. The written description must include notice of actions an employer may take as a consequence of an employee's failure to comply with company policies regarding unauthorized persons engaging in gambling activities during an underage compliance test; and

(c) Provide written notification (letter, e-mail, or fax) to us before conducting the test. The notification must include:

(i) Licensee name; and

(ii) Date and time of test; and

(iii) Last name and first initial of the person used in the test; and

(iv) First and last name of the person supervising the person used in the test; and

(d) Maintain on the licensed business premises for at least one year, and produce upon request, the following information for each test conducted:

(i) A copy of the photo identification, which must include the birth date, of the person used in the test; and

(ii) The results; and

(e) Only use underage persons who are sixteen or seventeen years old at the time of the test.

(3) Licensees with a minimum gambling age of twenty-one must follow the procedures in subsections (1) and (2) of this section, except for subsection (2)(e) of this section, if they use persons who are at least eighteen years of age but less than twenty-one years of age to conduct underage enforcement tests.

[Statutory Authority: RCW 9.46.070. 09-19-082 (Order 659), § 230-06-012, filed 9/17/09, effective 10/18/09.]

WAC 230-06-015 Prevent intoxicated persons from operating or playing gambling activities. Licensees must not allow any person who appears to be intoxicated or under the influence of any narcotic or other substance to operate or play any gambling activity.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-015, filed 8/22/06, effective 1/1/08.]

WAC 230-06-020 Restrictions on alcohol as prizes.

Licensees may not use alcohol as prizes in gambling activities. **Administrative Order #679**
Effective Date: October 15, 2012

(1) Dice or coin contests for music, food, or beverage payment as authorized by RCW 9.46.0305; and

(2) Unlicensed members-only raffles authorized by RCW 9.46.0315, but only if the liquor control board granted the appropriate permit; and

(3) Other gambling activities where the liquor control board has authorized alcohol as a prize.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-020, filed 8/22/06, effective 1/1/08.]

WAC 230-06-025 Restrictions on firearms as prizes.

Only charitable or nonprofit organizations operating a raffle may award firearms, air guns, or other mechanical devices which are capable of discharging dangerous projectiles, including but not limited to, BB or CO₂ guns, rifles, shotguns, pistols or revolvers, or crossbows as a prize. If the prize awarded is restricted from transfer by state or federal law, the licensee must award the winner a certificate, redeemable by a licensed firearms dealer, for the prize offered.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-025, filed 8/22/06, effective 1/1/08.]

WAC 230-06-030 Restrictions and conditions for gambling promotions. Licensees may conduct gambling promotions to encourage players to participate in a gambling activity, but you must follow these restrictions and conditions:

(1) You must give all players an equal opportunity to participate; and

(2) You must establish standards to determine how you will give promotional items to players. You must not give the items based on an element of chance, such as a drawing or spinning wheel, unless you are doing so as part of a bingo game; and

(3) You must not give another chance to participate in a gambling activity as a promotional item; and

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(4) You must display all rules or restrictions clearly in the gambling area and include them on promotional materials or advertisements; and

(5) You must not combine gambling activities and related gambling promotions in any way with a promotional contest of chance as defined in RCW 9.46.0356.

[Statutory Authority: RCW 9.46.070. 08-17-066 (Order 629), § 230-06-030, filed 8/18/08, effective 9/18/08; 06-17-132 (Order 601), § 230-06-030, filed 8/22/06, effective 1/1/08.]

WAC 230-06-031 Using wheels in promotional contests of chance, fund-raising events, or gambling activities.

Promotional contests of chance (PCOCs)

(1) Operators may use wheels specifically manufactured for a promotional contest of chance (PCOC), whether commercially made or home made.

(2) Operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in PCOCs unless they receive permission ahead of time from us.

Fund-raising events

(3) Operators may use commercially made wheels in gambling activities for fund-raising events.

Separation of PCOCs from gambling activities and promotions

(4) No wheel may be used in conjunction with their gambling activities by:

- (a) Card room licensees; or
- (b) Pull-tab licensees.

Card rooms, pull-tabs, bingo, raffles

(5) Licensees and operators must not use professionally manufactured wheels made specifically for gambling activities (for example, Big 6 Wheels) in:

- (a) Bingo; or
- (b) Card games; or
- (c) Pull-tabs.

(6) Operators may use commercially made or home made wheels as part of drawings for prizes, good neighbor prizes, or second element of chance prizes as part of bingo games, as set out in WAC 230-10-280.

(7) Raffle licensees and operators may use:

(a) Other types of wheels, such as paddle wheels, in raffles; and

(b) Commercially made or home made wheels in an alternative drawing format for determining the winner of a raffle. Alternative drawing formats are set out in WAC 230-11-055 and 230-11-060.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-031, filed 10/22/07, effective 1/1/08.]

WAC 230-06-035 Credit, loans, or gifts prohibited.

(1) Licensees, employees, or members must not offer or give credit, loans, or gifts to any person playing in an authorized gambling activity or which makes it possible for any person to play in an authorized gambling activity.

(2) Gifts are items licensees give to their customers. Licensees must not connect these gifts to gambling activities we regulate unless the gifts are:

- (a) Gambling promotions; or
- (b) Transportation services to and from gambling activities; or
- (c) Free or discounted food, drink, or merchandise which:
 - (i) Costs less than five hundred dollars per individual item; and
 - (ii) Must not be traded back to you for cash; and
 - (iii) Must not give a chance to participate further in an authorized gambling activity.

(3) You must collect the price required to participate in the gambling activity in full before allowing someone to participate. Licensees must collect cash, check, gift certificate, gift card, or electronic point-of-sale bank transfer.

(4) If the price paid for the opportunity to play a punch board or pull-tab series is ten dollars or less, licensees may collect the price immediately after the play is completed.

(5) If a charitable or nonprofit organization has a regular billing system for all of the activities of its members, it may use its billing system in connection with the playing of any licensed activities as long as the organization limits play to full and active members of its organization.

(6) Charitable or nonprofit organizations may allow credit cards, issued by a state regulated or federally regulated financial institution, for payment to participate in raffles.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-035, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-035, filed 8/22/06, effective 1/1/08.]

WAC 230-06-045 Conduct gambling activities on licensed business premises only. (1) Licensees must conduct all gambling activities, except for raffle ticket sales, on the licensed business premises.

(2) Charitable or nonprofit organizations licensed to conduct bingo and punch board and pull-tab games may sell punch boards and pull-tabs to customers of a licensed card room if the charitable or nonprofit organization:

- (a) Shares a common wall with the card room; and
- (b) Controls all doors, counters, or windows allowing customer access through the common wall between the two premises and the charitable or nonprofit organization can securely close and lock the doors, counters, or windows; and
- (c) Keeps and sells the punch board and pull-tab games and redeems prizes only on their licensed business premises. Punch board and pull-tab players may take already purchased punch boards and pull-tabs into the card room area; and
- (d) Allows only its employees to sell the punch board and pull-tabs; and
- (e) Posts signs at the door, window, or counter common to the two business premises that clearly notify customers of the organization's identity.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-045, filed 8/22/06, effective 1/1/08.]

WAC 230-06-046 Additional requirements for licensed business premises of class E, F, and house-banked card rooms. (1) The licensed business premises of

class E, F, and house-banked card rooms may not be adjacent to each other if each licensed business premises:

- (a) Shares inside public access between the two licensed business premises; or
 - (b) Has employee access between the two licensed business premises visible to the public; or
 - (c) Shares windows or similar structures that allow customers to see into the other licensed business premises.
- (2) Subsection (1) of this section does not apply to class E, F, and house-banked card room physical locations that have any of the features listed in subsection (1) of this section and were licensed on the effective date of this rule.
- (3) Adjacent card rooms must post signs at each entrance that is accessible by the public to clearly notify customers of the licensed business premises' identity.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 10-07-102, § 230-06-046, filed 3/19/10, effective 7/1/10.]

WAC 230-06-050 Review of electronic or mechanical gambling equipment. (1) Persons who wish to submit gambling equipment, supplies, services, or games for our review to verify compliance with chapter 9.46 RCW and Title 230 WAC must pay the application deposit before we perform the review. They must also reimburse us for any additional costs of the review.

(2) We may require manufacturers to submit certain electronic or mechanical gambling equipment for review. The equipment must meet technical standards for compliance, accuracy, security, and integrity. To allow for continued testing and training, staff may keep any equipment submitted for review for as long as the equipment remains in play in Washington. The manufacturers must reimburse us for any costs of the review. The commissioners and commission staff are not liable for any damage to equipment while in our possession.

(3) Licensees must operate equipment identical to the version the director or director's designee approved.

(4) If persons submitting equipment do not agree with the director or director's designee's decision, they may file a petition for declaratory order with the commission to be heard as a full review (*de novo*) by an administrative law judge, according to RCW 34.05.240 and chapter 230-17 WAC.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-050, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-050, filed 8/22/06, effective 1/1/08.]

WAC 230-06-051 Computation of time. (1) When a period of time is in commission rules, orders, or statute, the period begins to run on the day after the act, event, or default. The last day of the period is included, unless it is a Saturday, Sunday or a legal holiday, in which case the period runs until the end of the next day that is not a Saturday, Sunday or a legal holiday.

(2) When the period is less than seven days, exclude Saturdays, Sundays and legal holidays in the calculation.

(3) This section does not apply to periods of license suspension.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-051, filed 10/22/07, effective 1/1/08.]

**NOTIFYING LAW ENFORCEMENT,
POSTING PUBLIC NOTICES,
AND RECORDKEEPING**

WAC 230-06-055 Notify law enforcement of gambling activity. (1) Licensees must notify local law enforcement agencies, in writing, that they have been licensed before they begin to conduct any activity under the license.

(2) Licensees must notify local law enforcement agencies of the:

(a) Address where they will conduct the gambling activity; and

(b) Type of gambling activity licensed; and

(c) First date they will conduct the gambling activity; and

(d) Proposed schedule for the operation of the gambling activity if they plan to conduct the activity on a regular basis.

(3) Licensees must not conduct the activity until they have made the notification.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-055, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-055, filed 8/22/06, effective 1/1/08.]

WAC 230-06-065 Displaying of licenses. (1) Licensees must prominently display originals or copies of all gambling activity licenses or permits we have issued in the gambling area of their business premises.

(2) Licensees must have the licenses and permits ready for inspection by us, other law enforcement personnel, and the public at all times.

(3) Card room employers may choose not to display employee licenses, but must maintain all card room employees' licenses, proof of licensing, or applications if we have not issued a license, on the licensed premises at all times.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-065, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-065, filed 8/22/06, effective 1/1/08.]

WAC 230-06-070 Keep monthly records. Every person or organization licensed to operate any gambling activity must maintain permanent monthly records of all financial transactions directly or indirectly related to gambling activities. The licensee must include all financial transactions in enough detail to prove compliance with recordkeeping requirements for the specific gambling activity.

(1) Every licensee must record for each licensed activity:

(a) The gross gambling receipts; and

(b) Full details on all expenses; and

(c) The total cost of all prizes paid.

(2) Commercial stimulant licensees must also record:

(a) Gross sales of food and drink for consumption on the business premises; and

(b) Gross sales of food and drink for consumption off the business premises; and

(c) Gross sales from all other business activities occurring on the business premises.

(3) Licensees must record each licensed activity separately and include all transactions occurring during the calendar month. Licensees must complete these records and have them available for audit or inspection by our agents or other

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law enforcement no later than thirty days following the end of each month.

(4) Licensees must include copies of all additional financial data which support tax reports to any governmental agency.

(5) Licensees must maintain each of these records for at least three years from the end of the fiscal year.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-070, filed 8/22/06, effective 1/1/08.]

WAC 230-06-071 Washington state identification and inspection stamps to be called "I.D. stamps." We will refer to Washington state identification and inspection stamps as "I.D. stamps" throughout these rules.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-071, filed 10/22/07, effective 1/1/08.]

WAC 230-06-074 Assistance required for commission inspections. When we arrive to conduct an inspection, the person or business under review must immediately provide:

(1) All requested documents or equipment; and

(2) A safe place with adequate space where we may perform the inspection; and

(3) Reasonable assistance to us.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-074, filed 10/22/07, effective 1/1/08.]

WAC 230-06-075 Removal of equipment or records for inspection. (1) If we believe with a reasonable probability that you, your employees, or your members are violating or have violated the provisions of chapter 9.46 RCW, its amendments, or any of our rules, we may remove, inspect, and investigate any records, equipment, parts, and devices of any nature located on your premises that relate to the licensed activity or any other gambling activity.

(2) We also may remove records from your premises or your control in order to facilitate our review of the records.

(3) If we receive a written request from you, we will provide you with copies of retained records.

(4) After the case is resolved, we will return all records, equipment, parts, and devices to the premises or to your address.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-075, filed 8/22/06, effective 1/1/08.]

**REPORTING CHANGES TO
APPLICATION INFORMATION**

WAC 230-06-080 Report changes to application information and submit updated documents and information. (1) Licensees must submit to us any new or updated documents and information, including the following:

(a) Articles of incorporation or bylaws, or any other documents which set out the organizational structure and purposes; and

(b) All oral or written contracts and agreements which relate to gambling activities or alter the organizational structure.

(2) Licensees must submit to us any new or updated documents and information, including the following:

(a) Articles of incorporation or bylaws, or any other documents which set out the organizational structure and purposes; and

(b) All oral or written contracts and agreements which relate to gambling activities or alter the organizational structure.

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ture of the licensee's organization or business activities in Washington; and

(c) All cash or asset contributions, draws from lines of credit, and loans (except those from recognized financial institutions) during any calendar year which by themselves or totaled together are more than ten thousand dollars. Cash or asset contributions do not include donations to licensed charitable or nonprofit organizations; and

(d) Internal Revenue Service tax deductible status of contributions for charitable and nonprofit organizations.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-080, filed 8/22/06, effective 1/1/08.]

WAC 230-06-083 Card game licensees reporting changes in licensed employees. Card game licensees, except Class B or Class D must:

(1) Submit an add/transfer application and the required fees before allowing a licensed card room employee to begin working.

(2) Notify us in writing when a licensed card room employee no longer works for them. We must receive the notice at our Lacey office within ten days of the card room employee terminating employment.

[Statutory Authority: RCW 9.46.070. 08-21-087 (Order 633), § 230-06-083, filed 10/14/08, effective 1/1/09.]

REPORTING CRIMINAL, ADMINISTRATIVE, AND CIVIL ACTIONS

WAC 230-06-085 Report criminal actions filed. (1) Licensees must report to us in writing within thirty days all criminal actions filed against the licensee, any manager of the licensed gambling activity, the business organization, or any person holding a substantial interest in the business organization.

(2) We must receive a copy of the final written decision or settlement within thirty days after the case is resolved.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-085, filed 8/22/06, effective 1/1/08.]

WAC 230-06-090 Report administrative and civil actions filed. (1) All licensees must report to us in writing within thirty days all administrative actions filed against them by other gambling regulatory agencies, including those from other countries and Indian tribes.

(2) Licensed organizations must report to us in writing within thirty days all civil and administrative actions that are filed by or against any manager of the licensed gambling activity, the business organization, or any person holding a substantial interest in the business organization. Actions include, but are not limited to:

- (a) Divorces; and
- (b) Bankruptcy; and
- (c) Tax liens; and
- (d) Business dissolutions.

(3) The report must consist of a complete copy of the original documents filed. Licensees must notify the commission of the final disposition of the case and include a copy of the final documents filed including, but not limited to, settlement agreements.

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(4) For cases involving patent infringement on gambling equipment, licensees must send only the final written decision or settlement.

(5) We must receive a copy of the final written decision or settlement within thirty days after the case is resolved.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-090, filed 8/22/06, effective 1/1/08.]

CHANGING NAMES OR LOCATIONS

WAC 230-06-095 Change name, trade name, or corporate name. Licensees must notify us and pay a fee for any name change as follows:

(1) Businesses and organizations changing their trade or corporate name - at least thirty days before the actual change date;

(2) Individuals changing their name - no later than thirty days after the effective date of the change.

[Statutory Authority: RCW 9.46.070. 09-19-053 (Order 662), § 230-06-095, filed 9/11/09, effective 1/1/10; 06-17-132 (Order 601), § 230-06-095, filed 8/22/06, effective 1/1/08.]

WAC 230-06-100 Changing business locations. (1) Licensees must apply to us and pay a fee to change the location of their licensed business premises. Licensees must receive our approval before changing the business location.

(2) Commercial amusement game licensees may add or delete from the list of locations for which we issued their license without paying a fee.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-100, filed 8/22/06, effective 1/1/08.]

CHANGING MANAGEMENT OR OWNERSHIP

WAC 230-06-105 Report change of management. (1) Licensees must report in writing changes made to their organization's management, directors, officers, or any other position that makes management decisions directly affecting the operation of their licensed gambling activity. We provide the forms to report these changes.

(2) If you are a commercial business licensee, you must report within thirty days.

(3) If you are a charitable or nonprofit organization licensee, you must report the changes when renewing your annual license.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-105, filed 8/22/06, effective 1/1/08.]

WAC 230-06-106 Limited transfers of ownership allowed. Gambling licenses must not be transferred to another person or entity until the licensee requesting the transfer has received written approval from us. All requests to transfer a license must be in the format we require. Licensees may request to transfer a gambling license under the following conditions:

Commercial businesses

(1) A commercial business may request to transfer their license to another business when:

(a) The ownership is exactly the same for both businesses, for example a partnership becomes a limited liability company (LLC); and

(b) The licensed gambling activity will be conducted at the same business premises.

Charitable or nonprofit organizations

(2) A bona fide charitable or nonprofit organization may request to transfer their gambling license to another bona fide charitable or nonprofit organization after a completed merger or consolidation.

Partnerships

(3) If one partner in a partnership leaves and is not replaced, the remaining partner(s) must submit a transfer application to document the transfer of ownership to the remaining partner(s).

Sole proprietorship

(4) A sole proprietor may request to transfer their license to a partnership, corporation or LLC, which is solely owned by the same person.

Death, bankruptcy and other special circumstances

(5) A licensed operator may transfer their license when proven incapacity, death, receivership, bankruptcy or assignment for benefit of creditors to a court-appointed or court-confirmed guardian, executor or administrator, receiver, trustee, or assignee for the benefit of creditors occurs. The person to whom the license is transferred may continue to operate under the license.

(a) Transfers are allowed when:

(i) A transfer fee is paid; and

(ii) The person to whom the license is transferred is qualified to hold a gambling license; and

(iii) We give prior written approval.

(b) The license is renewable based on the original expiration date of the license; and

(c) Any transferred license will be void when the person to whom the license was transferred no longer holds the court-appointed, or court-confirmed, position.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-06-106, filed 1/14/08, effective 2/14/08.]

WAC 230-06-107 Ownership changes—Allowed. A licensee must report any change in ownership when the change would result in any person or organization becoming a substantial interest holder. Changes in ownership are allowed under the following conditions:

Ownership changes to be reported

(1) The following changes must be reported to us when:

(a) A person or organization becomes a substantial interest holder when they were not a substantial interest holder immediately before the transaction; or

(b) A substantial interest holder purchases any additional stock.

Reporting requirements

(2) Each notification must:

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(a) Be submitted in writing on a form provided by us within thirty days of the close of a change of ownership; and

(b) Include the required fee; and

(c) Include:

(i) **For corporations**—A copy of the meeting minutes detailing the change of ownership; or

(ii) **For limited liability companies (LLC)**—An amended LLC agreement that includes the new member(s).

New owners must qualify for a license

(3) The gambling license(s) of any corporation or LLC in which a person holds or acquires a substantial interest may be revoked if the new person is not qualified to hold a gambling license.

Review and investigation

(4) An investigation of each transaction will be conducted by us to determine the details of the transaction and the qualifications of each substantial interest holder.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-06-107, filed 1/14/08, effective 2/14/08.]

WAC 230-06-108 Ownership changes—Prohibited.

All gambling licenses held by a business will become void when the following changes in ownership occur and a new license must be obtained before operating any gambling activities:

(1) A person or business becomes the owner of more than fifty percent of corporate stock or limited liability membership shares/units, when the person or business did not have at least the following substantial interest in the business immediately before the transaction:

(a) Ten or more percent ownership in a privately held corporation or limited liability company (LLC); or

(b) Five or more percent ownership in a publicly traded corporation or LLC; or

(2) The business is sold; or

(3) A sole proprietorship brings in a new person and forms a partnership, corporation or LLC; or

(4) A partnership adds another partner or changes partners; or

(5) A change in a person's ownership, together with ownership of any members of his or her immediate family, who are under the age of eighteen years of age, results in the person having more than fifty percent interest in the business when the person did not have at least the following substantial interest in the business:

(a) Ten or more percent ownership in a privately held corporation or LLC; or

(b) Five or more percent ownership in a publicly traded corporation or LLC.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-06-108, filed 1/14/08, effective 2/14/08.]

SALES AND TRANSFERS OF EQUIPMENT, PRODUCTS, AND SERVICES

WAC 230-06-109 Sales invoices for merchandise prizes. Operators may purchase merchandise prizes from a licensed or unlicensed distributor or business. The sales

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invoice or receipt must include at least the following information:

- (1) The date of purchase; and
- (2) The seller's name and complete address; and
- (3) A full description of each item purchased; and
- (4) The quantity of items purchased; and
- (5) The cost per individual items purchased.

[Statutory Authority: RCW 9.46.070. 08-21-087 (Order 633), § 230-06-109, filed 10/14/08, effective 1/1/09.]

WAC 230-06-110 Buying, selling, or transferring gambling equipment. (1) All licensees and persons authorized to possess gambling equipment must closely control the gambling equipment in their possession.

(2) Before selling gambling equipment, licensees must ensure that the buyer possesses a valid gambling license or can legally possess the equipment without a license.

(3) Before purchasing gambling equipment, licensees must ensure that the seller possesses a valid gambling license.

(4) Applicants for Class F or house-banked card room licenses may purchase and possess gambling equipment during the precensing process, but only after receiving written approval from us.

(5) Charitable and nonprofit organizations conducting unlicensed bingo games, as allowed by RCW 9.46.0321, may possess bingo equipment without a license.

(6) Licensees may transfer gambling equipment as a part of a sale of a business as long as a condition of the sale is that the buyer receives a gambling license before the sale is complete. Licensees must make a complete record of all gambling equipment transferred in this manner, including I.D. stamps. Licensees must report these transfers, including a copy of the inventory record, to us.

[Statutory Authority: RCW 9.46.070. 08-11-044 (Order 628), § 230-06-110, filed 5/14/08, effective 7/1/08; 07-21-116 (Order 617), § 230-06-110, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-110, filed 8/22/06, effective 1/1/08.]

WAC 230-06-120 Selling or transferring gambling equipment when no longer licensed. (1) If we have revoked your operator or distributor license, your license has expired, or you have voluntarily surrendered your license, you may only sell or otherwise transfer gambling equipment to a licensed manufacturer or distributor.

(2) Transfers of gambling equipment in this manner are subject to the following requirements:

(a) The transfer must be complete within thirty days of the date the license became invalid; and

(b) Distributors must use the cash or credit against amounts they owe manufacturers; and

(c) Operators or distributors selling the equipment must report to us within ten days of the transaction a complete inventory of all the gambling equipment transferred, including commission I.D. stamps; and

(d) Manufacturers or distributors receiving the equipment must prepare a credit memorandum and retain it with their records.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-06-120, filed 10/22/07, effective 1/1/08; 06-17-132 (Order 601), § 230-06-120, filed 8/22/06, effective 1/1/08.]

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LICENSE RENEWALS

WAC 230-06-125 Renew your license in a timely manner. (1) Licensees must ensure a properly completed renewal application and all applicable fees are received at our administrative office in Lacey at least fifteen days before the expiration date on their license.

(2) If licensees do not submit a properly completed application and all fees and their license expires, they must immediately stop the gambling activity covered by their license.

(3) If your license expires, you must submit an application and you must not operate any gambling activity until a new license is issued.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-06-125, filed 1/14/08, effective 2/14/08; 06-17-132 (Order 601), § 230-06-125, filed 8/22/06, effective 1/1/08.]

WAC 230-06-130 Exceeding license class. (1) Licensees must not exceed the gross gambling receipts limits for their license class during any annual license period.

(2) Licensees must apply a projection of year-to-date receipts to the remaining period of their license and, if it indicates that it is reasonably likely that they may exceed their license, they must immediately:

(a) Apply for a license that authorizes the anticipated level of gross gambling receipts; and

(b) Submit the fee required for the new license, minus the amount originally submitted for the previous license, plus a change of classification fee.

(3) If we issue a license upgrade, it is valid only for the remainder of the original term of the license.

(4) Licensees may exceed license class limits once, by the amount shown in the fees table, without having to upgrade or pay the penalties as long as they upgrade to the higher license class the next time they renew their license.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-130, filed 8/22/06, effective 1/1/08.]

WAC 230-06-135 Failing to apply for license class upgrade. (1) If licensees fail to apply for a license class upgrade and exceed the license class limit within a present or previous license year, we assess an additional fee. We charge an additional fee of up to fifty percent of the difference between the fee for the present license class and the new license class, or one thousand dollars, whichever is less.

(2) Licensees must pay any required license class upgrade fee, plus any additional fee required by subsection (1) of this section, within thirty days of our notification.

(3) Failure to pay the fees may result in an immediate summary suspension of all licenses.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-135, filed 8/22/06, effective 1/1/08.]

WAC 230-06-140 Partial refund of license fees if gambling receipts limit not met. (1) Licensees may apply for a partial refund of their license fee when their annual gross gambling receipts are less than the minimum for the class of license we issued to them.

(2) Licensees may receive a refund for the difference between the fees actually paid and the fees that would nor-

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mally apply to the level of gross gambling receipts actually received during the period.

(3) Licensees may make their request for refund after the end of any annual license period and before the end of the next annual license period.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-140, filed 8/22/06, effective 1/1/08.]

WAC 230-06-145 Surrendering suspended or revoked licenses. If we suspend or revoke your license, you must, on demand, surrender the license and return it to us.

[Statutory Authority: RCW 9.46.070. 06-17-132 (Order 601), § 230-06-145, filed 8/22/06, effective 1/1/08.]

WAC 230-06-150 Defining "gross gambling receipts." (1) "Gross gambling receipts" means the amount due to any operator of a gambling activity for:

(a) Purchasing chances to play a punch board or pull-tab series; and

(b) Purchasing chances to enter a raffle; and

(c) Fees or purchase of cards to participate in bingo games; and

(d) Fees to participate in an amusement game, including rent or lease payments paid to licensees or franchisers for allowing operation of an amusement game on their premises; and

(e) "Net win" from a house-banked card game; and

(f) Tournament entry fees; and

(g) Administrative fees from player-supported jackpots; and

(h) Fees to participate in a nonhouse-banked card game (for example, time, rake, or per hand fee).

(2) The amount must be stated in U.S. currency.

(3) The value must be before any deductions for prizes or other expenses.

(4) "Gross gambling receipts" does not include fees from players to enter player-supported jackpots. However, any portion of wagers deducted for any purpose other than increasing current prizes or repayment of amounts used to seed prizes are "gross gambling receipts."

[Statutory Authority: RCW 9.46.070. 08-20-007 (Order 630), § 230-06-150, filed 9/18/08, effective 1/1/09.]

WAC 230-06-155 Defining "gross sales." (1) "Gross sales" means the amount received for all nongambling goods and services sold or occurring on the premises.

(2) The amount must be stated in U.S. currency minus any sales taxes or discounts.

(3) Income received from sales made on behalf of others or in partnership with third parties, commission income, or income splitting schemes, must be recorded at the net amount realized.

[Statutory Authority: RCW 9.46.070. 08-20-007 (Order 630), § 230-06-155, filed 9/18/08, effective 1/1/09.]

WAC 230-06-160 Defining "net gambling receipts." "Net gambling receipts" means all gross gambling receipts from any gambling activity minus:

(1) The value for cash prizes; and

(2) The actual cost of any merchandise prizes that were awarded.

[Statutory Authority: RCW 9.46.070. 08-20-007 (Order 630), § 230-06-160, filed 9/18/08, effective 1/1/09.]

WAC 230-06-165 Defining "net gambling income."

(1) "Net gambling income" means net gambling receipts minus all other expenses related to the operation of a licensed activity paid out during the same reporting period.

(2) Expenses must be reported on the accrual basis if the records are normally maintained on that basis.

[Statutory Authority: RCW 9.46.070. 08-20-007 (Order 630), § 230-06-165, filed 9/18/08, effective 1/1/09.]

WAC 230-06-170 Defining "net win." "Net win" means gross wagers received from gambling activities or fund-raising events minus the:

(1) Amount paid to players for winning wagers; and

(2) Accrual of prizes for progressive jackpot contests; and

(3) Repayment of amounts used to seed guaranteed progressive jackpot prizes.

[Statutory Authority: RCW 9.46.070. 08-20-007 (Order 630), § 230-06-170, filed 9/18/08, effective 1/1/09.]

WAC 230-06-175 Defining "cost." (1) "Cost" means the amount paid or owed by the purchaser, for any gambling or nongambling product or service, at the time of the transaction and documented on the sales receipt/transfer document.

(2) "Cost" does not include:

(a) Sales taxes paid by the purchaser; or

(b) Any markup or value added by the purchaser.

[Statutory Authority: RCW 9.46.070. 08-20-007 (Order 630), § 230-06-175, filed 9/18/08, effective 1/1/09.]

Administrative Orders for Chapter 230-06 WAC

Administrative Order #679 – Effective 10/1/12

WAC 230-06-020 Restrictions on alcohol as prizes. Licensees must not offer or award beverages that contain alcohol as a prize or in place of a prize for any gambling activity except:

(1) Dice or coin contests for music, food, or beverage payment as authorized by RCW 9.46.0305; and

(2) ~~((Unlicensed))~~ Members-only raffles authorized by RCW 9.46.0315, but only if the liquor control board granted the appropriate permit; and

(3) Other gambling activities where the liquor control board has authorized alcohol as a prize.

Administrative Order #686 – Effective 7/1/13

WAC 230-06-080 Report changes to application information and submit updated documents and information. (1) Licensees must notify us in writing if any information filed with the application changes in any way within thirty days of the change.

(2) Licensees must submit to us any new or updated documents and information within thirty days of the effective date of the document or information, including the following:

(a) Articles of incorporation or bylaws, or any other documents which set out the organizational structure and purposes; and

(b) All oral or written contracts and agreements which relate to gambling activities or alter the organizational structure of the licensee's organization or business activities in Washington; and

(c) All cash or asset contributions, draws from lines of credit, and loans (except those from recognized financial institutions) during any calendar year which by themselves or totaled together are more than ten thousand dollars. Cash or asset contributions do not include donations to licensed charitable or nonprofit organizations; and

(d) Internal Revenue Service tax deductible status of contributions for charitable and nonprofit organizations.

Chapter 230-07 WAC

CHARITABLE AND NONPROFIT RULES

WAC

230-07-001	Defining "charitable or nonprofit licensee."
230-07-005	Defining "licensees," "licensee," "organizations," and "organization."
230-07-010	Use of gambling proceeds.
230-07-015	Regulatory group assignments.
230-07-020	Making "significant progress."
230-07-025	Additional requirements for "significant progress" for Groups IV and V.
230-07-030	Defining "functional expenses."
230-07-035	Defining "program service expenses."
230-07-040	Defining "supporting service expenses."
230-07-045	Obtaining a waiver for significant progress requirements.
230-07-050	Defining "excessive reserves."
230-07-051	Accumulating excessive reserves.
230-07-055	Prorating expenses when gambling funds are not kept separate.
230-07-060	Independent management structure required.
230-07-065	Group III, IV, and V management control system.
230-07-070	Defining "direct relatives."
230-07-075	Conflicts of interest.
230-07-080	Qualification reviews for Groups III, IV and V.
230-07-085	Compensating gambling management and operations personnel.
230-07-090	Keeping and depositing all gambling funds separate from other funds.
230-07-095	Fund-raising events and members only raffles exempt from deposit requirements.
230-07-100	Special banking exemption for Point Roberts Peninsula.
230-07-105	Safeguarding prize inventory.
230-07-106	Insuring prizes.
230-07-110	Supervision requirements.
230-07-115	Duties of charitable or nonprofit gambling managers.
230-07-120	Notifying us of changes in responsibilities of charitable or nonprofit gambling managers.

RECORDKEEPING FOR LOWER VOLUME LICENSEES

230-07-125	Recordkeeping requirements for lower volume charitable or nonprofit organizations.
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RECORDKEEPING AND ACCOUNTING STANDARDS

230-07-130	Additional recordkeeping for charitable or nonprofit licensees.
230-07-135	Recording gifts.
230-07-140	Minimum accounting records for Class D and above bingo licensees and licensees with combined activities over five hundred thousand dollars.

REQUIRED ANNUAL REPORTS

230-07-145	Reporting annual progress.
230-07-150	Financial statements required for Groups III, IV, and V.
230-07-155	Reporting annual activity for raffles, amusement games, Class A, B, or C bingo, or combination licenses.
230-07-160	Reporting annual activity for agricultural fairs.

WAC 230-07-001 Defining "charitable or nonprofit licensee." In this section of the rules, "charitable or nonprofit licensees" means the same as a bona fide charitable or nonprofit organization as defined in RCW 9.46.0209.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-001, filed 4/24/07, effective 1/1/08.]

WAC 230-07-005 Defining "licensees," "licensee," "organizations," and "organization." (1) In this chapter of the rules, "licensee" and "licensees" means those charitable or nonprofit organizations which we require to be licensed to conduct gambling activities.

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(2) In this chapter, "organization" and "organizations" means:

(a) Licensees; and

(b) All bona fide charitable or nonprofit organizations conducting unlicensed gambling activities authorized by chapter 9.46 RCW.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-07-005, filed 10/22/07, effective 1/1/08; 07-10-032 (Order 609), § 230-07-005, filed 4/24/07, effective 1/1/08.]

WAC 230-07-010 Use of gambling proceeds. (1)

Except qualified agricultural fairs, charitable or nonprofit organizations must use all net income from gambling activities remaining after paying necessary expenses of operating the gambling activities exclusively for the lawful purpose(s) of the organization stated on the organization's license application.

(2) Licensees may conduct a gambling activity for the charitable benefit of specific person(s) whom the licensee has listed as recipient(s) of the proceeds, or a specified portion of the proceeds, if licensees obtain approval from us before they conduct the activity.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-010, filed 4/24/07, effective 1/1/08.]

WAC 230-07-015 Regulatory group assignments. (1)

We assign charitable or nonprofit licensees to regulatory groups based on the annual gross gambling receipts for their combined licensed activities.

(2) Licensees must comply with requirements applicable to the regulatory group to which we have assigned them. The regulatory groups are:

(a) Group I	Combined annual gross receipts up to three hundred thousand dollars.
(b) Group II	Combined annual gross receipts up to one million dollars.
(c) Group III	Combined annual gross receipts up to three million dollars.
(d) Group IV	Combined annual gross receipts up to five million dollars.
(e) Group V	Combined annual gross receipts over five million dollars.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-015, filed 4/24/07, effective 1/1/08.]

WAC 230-07-020 Making "significant progress."

Charitable or nonprofit licensees must make "significant progress" toward their stated purpose. They have made "significant progress" when they have:

(1) Complied with all requirements set forth in their bylaws and articles of incorporation; and

(2) Actively engaged in providing services to the public or their members during the fiscal year under review, and the

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services directly relate to the stated purposes of the organization; and

(3) Held elections to select officers at least once in the previous two years; and

(4) Held a general membership meeting to conduct the business of the organization at least once in the previous two years; and

(5) Used a substantial portion of the licensees' "available resources" for providing program services during the fiscal year under review. For purposes of this section, "available resources":

(a) Include the income generated by or from:

(i) The net of all activities used to raise funds, including net gambling income; and

(ii) Grants, gifts, and contributions from private sources; and

(iii) Public support.

(b) Does not include:

(i) Funds generated in periods other than the fiscal year under review; or

(ii) Funds that are raised or contributed from outside the organization for purposes of purchasing land or capital assets or to endow future operations when those funds are specifically identified by the board or contributors as restricted and separately recorded in the organization's records; or

(iii) Net income from the sale of assets; or

(iv) Fees paid by members or the public to receive services or to participate in specific activities. (Example: Fees to attend a swimming lesson or event.) These fees must be classified as a reduction to both program service and supporting service expenses on a pro rata basis and as a reduction to resources available for providing services in the fiscal year. (Example: In the chart below, licensee X has revenue of five thousand dollars. They must calculate the pro rata reduction by adjusting the total by the percentages of support services, program services expenses, and functional expenses.)

(6) This rule will be effective for fiscal years ending on or after December 31, 2009.

Revenue					
Fees paid by public					\$5,000
Calculation:					
Expenses	Unadjusted Amount	% of Total	Pro Rata Reduction Fees Paid by Public (\$5,000)	% of Total	Adjusted Amount
Support Service Expense	\$35,000	32%	(\$1,591)	32%	\$33,409
Program Service Expense	\$75,000	68%	(\$3,409)	68%	\$71,591
Functional Expenses	\$110,000	100%	(\$5,000)	100%	\$105,000

[Statutory Authority: RCW 9.46.070. 09-19-080 (Order 661), § 230-07-020, filed 9/17/09, effective 10/18/09; 07-10-032 (Order 609), § 230-07-020, filed 4/24/07, effective 1/1/08.]

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-030, filed 4/24/07, effective 1/1/08.]

WAC 230-07-025 Additional requirements for "significant progress" for Groups IV and V. In addition to meeting the significant progress requirements for Groups I, II, and III, Group IV and V charitable or nonprofit licensees must also prove they:

(1) Expended at least sixty percent of net gambling income earned in the licensee's most recently completed fiscal year on "functional expenses" to operate the organization's programs; and

(2) Used no more than thirty-five percent of total functional expenses to provide supporting services. If licensees used more than fifty percent of total program services expenses to provide program services through indirect methods (those which are external to the organization), such as grants, contributions, and/or scholarships, then supporting services expenses must not exceed twenty percent of functional expenses.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-025, filed 4/24/07, effective 1/1/08.]

WAC 230-07-030 Defining "functional expenses." "Functional expenses" means those expenses a charitable or nonprofit licensee incurs toward accomplishing its stated purpose(s). Functional expenses include both "program services" and "supporting services."

WAC 230-07-035 Defining "program service expenses." (1) "Program service expenses" means those expenses relating to providing care, support, or assistance to individuals, or sponsoring or conducting activities that directly relate to the licensee's stated purpose(s).

(2) We consider "program service expenses" services the licensee provided:

(a) Directly through programs to the public or the licensee's members; or

(b) Indirectly through:

(i) Contributions to individuals or to other service-providing organizations; or

(ii) Funding scholarships; or

(iii) Sponsoring activities directly related to any organizational purposes.

(3) We consider soliciting new members or volunteers, or announcements and publications intended to educate the public about specific services or programs to be program service expenses.

(4) Expenses allocated to more than one service must be divided out according to their function. Licensees must document the methods of allocation and make them available for our review.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-035, filed 4/24/07, effective 1/1/08.]

WAC 230-07-040 Defining "supporting service expenses." (1) "Supporting service expenses" means those expenses relating to activities that are essential to the general operation of the licensee's programs, but which are not directly identifiable to a specific program. Supporting service expenses typically include:

- (a) Management; and
- (b) General overhead; and
- (c) Any expenses related to soliciting contributions.

(2) We consider the following supporting service expenses:

(a) Wages and benefits for persons involved in the general operation of the organization, such as:

- (i) Executive directors and other management; or
- (ii) Support personnel like secretaries, receptionists, and bookkeepers; and

(b) Expenses related to:

(i) Providing an administrative office, including rent, depreciation, interest, utilities, taxes, insurance, and supplies; and

(ii) General management functions of the organization such as planning and budgeting, recruiting and training staff, and purchasing and distributing materials; and

(iii) Scheduling and conducting board, committee, and membership meetings; and

(iv) Publicizing the general organization; and

(v) Outside supporting services such as accounting, audit, and legal; and

(vi) Soliciting contributions or grants; and

(vii) Any net loss from nongambling fund-raising activities.

(3) Supporting service expenses do not include items which are unusual and infrequent in nature, for example, repairs from a fire.

(4) Expenses allocated to more than one service must be divided out according to their function. Licensees must document the methods of allocation and make them available for our review.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-040, filed 4/24/07, effective 1/1/08.]

WAC 230-07-045 Obtaining a waiver for significant progress requirements. (1) If a charitable or nonprofit licensee is unable to demonstrate that it has made significant progress, the licensee may request, in writing, a waiver for all, or a portion, of the requirements.

(2) In the waiver request, the organization's board must:

(a) Acknowledge that it is aware of the circumstances; and

(b) Show it has taken steps to correct the situation which prevented compliance; and

(c) Show it has approved a plan that addresses delivery of program services in the future; and

(d) Show that the organization expended at least twenty-five percent of its net gambling income to provide program services in the period under review. We may consider the purchase of nondepreciable assets for program purposes as part of this percentage.

(3) When deciding to approve or deny a waiver, we consider whether the licensee:

(a) Had a temporary inability to comply due to unusual circumstances; and

(b) Is reserving funds to start or expand specific programs in the future; and

(c) Used a substantial amount of capital assets that are not subject to depreciation or amortization to provide program services, for example, fully depreciated building or equipment; fully amortized leasehold improvements; assets which are not normally depreciated, such as land used for athletic fields, riding areas, or parks; and

(d) Conducted a substantial portion of its services through volunteers.

(4) If we deny the waiver, the licensee may request a brief adjudicative hearing before an administrative law judge under the provisions of Title 230 WAC and chapter 34.05 RCW.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-045, filed 4/24/07, effective 1/1/08.]

WAC 230-07-050 Defining "excessive reserves." (1) "Excessive reserves" means the total amount of the licensee's cash, cash equivalents, and other assets that would not normally be associated with providing programs or fund-raising activities is greater than the sum of:

(a) The licensee's current liabilities, which means debts due within one year; plus

(b) Total functional expenses during the most recently completed fiscal year; plus

(c) The average net income or loss from combined gambling and retail sales conducted in conjunction with gambling activities for a three-month period. This average is calculated by dividing annual net gambling and retail sales income or loss by four.

(2) However, we may approve the exclusion of funds reserved to start or expand specific programs from the computation of excessive reserves.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-050, filed 4/24/07, effective 1/1/08.]

WAC 230-07-051 Accumulating excessive reserves. A charitable or nonprofit organization must not accumulate excessive reserves. Organizations accumulating excessive reserves may be deemed as organized primarily for purposes of gambling. Reserves must be computed by using the financial data most recently filed with us. Funds transferred to an endowment or specifically restricted trust fund will not be treated as excessive reserves if the following restrictions are met:

(1) The endowment or dedicated trust fund is either legally irrevocable or restricted in a manner that approval is required by a majority of the membership prior to use or transfer of the endowment or dedicated trust principal; and

(2) The funds are expressly dedicated for funding new programs, capital projects, or to endow service-providing activities; and

(3) The funds are saved according to a plan that includes the amount to be reserved, the purpose for which the funds are being reserved, and the estimated time the reserves will be used; and

(4) The plan is approved by the organization's officers or board of directors and documentation for the endowment or trust fund is submitted to us for review and approval; and

(5) The total amount of net gambling income that is transferred to endowment or trust funds may exceed two million dollars only if the organization petitions the director to exceed this limitation and the director approves the petition. The director may disapprove with written comments or approve a modified level based on facts presented. The director's decision may be appealed to the commission. Appeal of this decision will be heard at a regular public meeting of the commission. The commission's decision shall be final. Petitions for relief must include:

(a) The reason for the request, including whether the increased reserves are for charitable or nonprofit purposes and planned timelines for use; and

(b) The total amount of reserves requested; and

(c) The impact on programs if the petition is denied; and

(d) Alternative sources of funding available.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-07-051, filed 1/14/08, effective 2/14/08.]

WAC 230-07-055 Prorating expenses when gambling funds are not kept separate. When charitable or nonprofit organizations do not keep gambling income separate from all other income of the organization, the amount of net gambling income required to provide functional expenses in the fiscal year under review must be the pro rata portion of net gambling income compared to the total net revenue from all sources. (Example: In the chart below, Organization X has revenue of five thousand dollars. They must calculate the pro rata reduction by adjusting the total by the percentages of support services, program services, and functional expenses.)

Revenue					
Fees paid by public					\$5,000
Calculation:					
Expenses	Unadjusted Amount	% of Total	Pro Rata Reduction Fees Paid by Public (\$5,000)	% of Total	Adjusted Amount
Support Service Expense	\$35,000	32%	(\$1,591)	32%	\$33,409
Program Service Expense	\$75,000	68%	(\$3,409)	68%	\$71,591
Functional Expenses	\$110,000	100%	(\$5,000)	100%	\$105,000

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-055, filed 4/24/07, effective 1/1/08.]

WAC 230-07-060 Independent management structure required. (1) Charitable or nonprofit organizations and their officers or board of directors have an affirmative responsibility to conduct gambling activities according to the legislative intent in chapter 9.46 RCW.

(2) Organizations must develop and maintain an independent management control system that ensures they:

(a) Create an operating environment that makes it possible to implement the policies of the officers or board of directors; and

(b) Supervise and operate gambling activities according to gambling laws and our rules; and

(c) Protect all assets of the organization from misuse or embezzlement; and

(d) Use gambling proceeds solely to advance the purposes of their organization.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-060, filed 4/24/07, effective 1/1/08.]

WAC 230-07-065 Group III, IV, and V management control system. Charitable or nonprofit licensees assigned to Groups III, IV, and V must develop and implement a management control system that:

(1) Is overseen by an independent group of officers or board of directors who have been elected by a process in which all full and regular members have a single vote; and

(2) Includes written policies which set the responsibilities of and establish the scope of authority delegated to officers, board of directors, and employees; and

(3) Includes affirmative management and accounting controls to ensure that all funds and other assets directly or indirectly obtained with gambling proceeds are protected from misuse, are dedicated solely to the purposes of the organization, and do not inure to the private use of any person. For purposes of this section, we do not consider the following uses of gambling proceeds inurement:

(a) Providing program services to members or the public; or

(b) Costs for necessary expenses, including salaries or wages for services to perform the purposes of the organization. Salaries or wages paid to members, officers, board of directors, or their direct relatives, are not inurement if they are necessary, reasonable, and an independent management system makes the decision to pay them; and

(4) Includes a planning process to set goals for uses of gambling proceeds and allows the officers or board of directors to monitor progress toward those goals. Organizations reserving funds in endowments or trust funds must have a formal business plan or budget outlining uses of those funds; and

(5) Includes a system of internal accounting controls designed to reduce errors, minimize the risk of embezzlement, and safeguard assets. The licensee's officers or board of directors must implement procedures to monitor established controls for compliance. The internal accounting control system must include at least:

(a) Management approval for expenditures; and

(b) Access to assets is restricted to those individuals management authorizes; and

(c) Recording procedures for all transactions in accordance with generally accepted accounting principles (GAAP). Licensees must record transactions with enough detail to maintain accountability for assets; and

(d) Periodic comparison of recorded assets to physical assets and reconciliation of all differences. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Licensees must keep the reconciliation as part of their records.

(6) Is documented and available for our review.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-065, filed 4/24/07, effective 1/1/08.]

WAC 230-07-070 Defining "direct relatives." "Direct relative" means spouses, parents, grandparents, uncles, aunts, children, siblings, nieces, or nephews, whether by blood, adoption, or marriage.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-070, filed 4/24/07, effective 1/1/08.]

WAC 230-07-075 Conflicts of interest. (1) Charitable or nonprofit organizations have an independent operating environment when their officers or board members and supervisory level employees have completely separated their personal interests from the interests of the organization.

(2) If individual officers or board members acknowledge potential conflicts of interest and abstain from voting on issues that directly or indirectly affect their personal interest, the organization is operating independently.

(3) The governing board of the organization must review any potential conflicts of interest involving supervisory level employees. They must record all discussions or balloting regarding potential conflicts of interest in the official meeting minutes.

(4) We will presume organizations lack an independent operating environment if the governing board fails to approve and document in the official meeting minutes any of the following by the officers, board members, or supervisory level employees:

(a) Receiving, directly or indirectly, financial or personal benefit from the organization or share in gambling proceeds of the organization; or

(b) Supervising, directly or indirectly, or having decision-making authority over transactions that may result in direct or indirect financial or personal benefit to:

(i) Their direct relatives; or

(ii) Persons with whom they maintain a common household; or

(iii) Persons with whom they have a business relationship; or

(c) Allowing others, directly or, through lack of action, indirectly, to receive or share in the gambling proceeds of the organization.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-075, filed 4/24/07, effective 1/1/08.]

(4/13/10)

WAC 230-07-080 Qualification reviews for Groups III, IV and V. (1) We may review charitable or nonprofit licensees assigned to Group III and may prepare a summary of the organization's qualifications for the commissioners' review.

(2) We will review licensees assigned to Group IV and V and prepare a summary of the organization's qualifications for the commissioners' review at a public meeting every three years. At least one representative from the organization must attend the meeting when staff presents their qualification review.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-080, filed 4/24/07, effective 1/1/08.]

WAC 230-07-085 Compensating gambling management and operations personnel. (1) Charitable or nonprofit licensees must not base compensation for any employee taking part in the management or operation of the gambling activities on a percentage of the receipts or income derived from the operation of the gambling activity.

(2) Licensees must pay employees taking part in the management or operation of gambling activity a wage that is reasonable under the prevailing local wage scale for comparable employment. Wages greater than the local prevailing wage create a presumption of a violation.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-085, filed 4/24/07, effective 1/1/08.]

WAC 230-07-090 Keeping and depositing all gambling funds separate from other funds. Charitable or nonprofit licensees must protect all funds generated from gambling activities and keep these funds separate from their general funds.

(1) Licensees must:

(a) Keep a separate gambling receipts account(s) in a recognized Washington state bank, mutual savings bank, or credit union; and

(b) Deposit only gambling receipts into that account. Licensees may deposit receipts from nongambling activities operated in conjunction with bingo games into the gambling receipts account if the licensee keeps detailed receipting records of the nongambling receipts; and

(c) Deposit all gambling receipts first into the account before spending or transferring them into other accounts, except for prize pay outs; and

(d) Deposit funds received from commercial amusement game operators operating amusement games on their premises in the licensee's gambling receipts account no later than the second banking day after they receive the receipts; and

(e) Make all deposits of net gambling receipts from each activity separately from all other deposits, and keep the validated deposit receipt as a part of their records. Deposit receipts are a part of the applicable daily or monthly records and licensees must make them available for our inspection; and

(f) Deposit all net gambling receipts which they are holding, pending pay out:

(i) From bingo, no later than the second banking day after they receive them. Licensees may withhold bingo receipts from deposits for "jar," "pig," or other special game

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prizes if the total of all such prize funds does not exceed two hundred dollars, enter the amount withheld each session in the bingo daily record, and record the reconciliation of the special game fund on the bingo daily record. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Licensees must keep the reconciliation as part of their records; and

(ii) From raffles (Class E and above) and amusement games (Class D and above), at least once each week; and

(iii) From punch board and pull-tabs, including cost recovery for merchandise prizes awarded, no later than two banking days after they remove the board or series from play; and

(g) Record the Washington state identification number assigned to the punch board or pull-tab series and the amount of net gambling receipts on the deposit slip/receipt. Licensees may record the number and the receipts on a separate record if they record the bank validation number and maintain the record with the deposit slip/receipt; and

(2) These requirements do not apply to organizations who:

(a) Conduct only one or more of the following activities:

(i) Raffles under the provisions of RCW 9.46.0315;

(ii) Bingo, raffles, or amusement games under the provisions of RCW 9.46.0321;

(iii) Class A, B, or C bingo game;

(iv) Class A, B, C, or D raffle; or

(v) Class A, B, or C amusement game; and

(b) Do not have any other license(s) from us.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-090, filed 4/24/07, effective 1/1/08.]

WAC 230-07-095 Fund-raising events and members only raffles exempt from deposit requirements. Bona fide charitable or nonprofit organizations that conduct only fund-raising events or members only raffles and have no other gambling licenses are exempt from having a separate gambling receipts account, but they must:

(1) Make no expenditures, other than for prizes, until the receipts have been deposited;

(2) Deposit all net gambling receipts within two banking days; and

(3) Keep the validated deposit receipt with their gambling records.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-095, filed 4/24/07, effective 1/1/08.]

WAC 230-07-100 Special banking exemption for Point Roberts Peninsula. Charitable or nonprofit licensees that conduct activities on Point Roberts Peninsula, Washington, may deposit funds in British Columbia branches of Canadian banks. Licensees must provide us and their Canadian bank a written release for us to have unrestricted access to the licensee's Canadian bank records and the Canadian bank must provide written confirmation of its intent to honor the licensee's release.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-100, filed 4/24/07, effective 1/1/08.]

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WAC 230-07-105 Safeguarding prize inventory. (1) Charitable or nonprofit organizations must safeguard and prevent misuse or misappropriation of all assets, including items purchased, or donated, to use as prizes for gambling activities.

(2) Licensees must maintain an inventory control record for each item purchased or donated to use as prizes for gambling activities in the format we require.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-105, filed 4/24/07, effective 1/1/08.]

WAC 230-07-106 Insuring prizes. (1) We prohibit basing contracts for prize insurance on a percentage of the gambling activity.

(2) We allow prize insurance based on a flat fee or monthly fee.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-07-106, filed 10/22/07, effective 1/1/08.]

WAC 230-07-110 Supervision requirements. Charitable or nonprofit organizations must closely supervise all persons involved with the conduct of gambling activities to ensure that they follow all gambling laws and rules.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-110, filed 4/24/07, effective 1/1/08.]

WAC 230-07-115 Duties of charitable or nonprofit gambling managers. Charitable or nonprofit gambling managers must:

(1) Be knowledgeable of the laws and rules that relate to the operation of the gambling activities and the restrictions on the use of funds made from gambling activities for which they are responsible; and

(2) Supervise the gambling activity, including all secondary activities, such as retail sales, conducted along with gambling activities; and

(3) Ensure:

(a) The business premises are maintained in a safe condition and persons participating in the activity are reasonably protected from physical harm; and

(b) Fair and equal participation by players in gambling activities; and

(c) All records are completed and correct; and

(d) All funds are disbursed or invested according to the directions of the officers or governing board and are used solely to further the charitable or nonprofit purpose(s) of the organization; and

(4) Protect:

(a) The public from fraud; and

(b) The organization from players or workers committing illegal acts; and

(c) All gambling assets of the organization from misuse or theft; and

(5) Safeguard funds or other assets made from gambling and secondary activities for which he or she is responsible until directly deposited in the organization's bank account.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-115, filed 4/24/07, effective 1/1/08.]

WAC 230-07-120 Notifying us of changes in responsibilities of charitable or nonprofit gambling managers.

(1) A charitable or nonprofit organization must notify us in writing when a gambling manager:

(a) Has been assigned primary responsibility for operating any gambling activity or disbursing funds; or

(b) Has terminated employment or responsibilities.

(2) Individuals required to be licensed under WAC 230-03-235 must immediately submit a license application.

(3) Licensees assigning gambling managers who do not require a license under WAC 230-03-145(4) must notify us in writing within ten days of changes in responsibilities by submitting:

(a) The full name and date of birth of the gambling manager; and

(b) The date the gambling manager was assigned new responsibilities or the date employment or responsibilities terminated; and

(c) A full description of the change in duties or responsibilities; and

(d) The highest ranking elected officer or the individual assigned the responsibility of supervising the gambling manager must sign the notification.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-120, filed 4/24/07, effective 1/1/08.]

RECORDKEEPING FOR LOWER VOLUME LICENSEES

WAC 230-07-125 Recordkeeping requirements for lower volume charitable or nonprofit organizations. (1) Organizations operating without a license under RCW 9.46.0315 or 9.46.0321 and lower volume charitable or nonprofit licensees must keep a set of permanent monthly records of the gambling activities. Lower volume licensees include:

(a) Fund-raising events;

(b) Bingo (Classes A, B, and C);

(c) Raffles (Classes A, B, C, and D);

(d) Amusement games (Classes A, B, C, and D); and

(e) Card games (Classes A, B, and C).

(2) The monthly records must include, at least:

(a) The gross receipts from each activity;

(b) The total amount of cash prizes actually paid out;

(c) The total of the cost to the licensee of all merchandise prizes actually paid out for each activity;

(d) A summary of all expenses related to each of the activities; and

(e) The net income received from the activity, the purpose(s) for which the net income was raised, and the amount paid to each recipient.

(3) Licensees must keep these records for three years from the end of the license year for which the record was created.

(4) Organizations operating under RCW 9.46.0315 or 9.46.0321 must maintain their records for one year.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-125, filed 4/24/07, effective 1/1/08.]

(4/13/10)

RECORDKEEPING AND ACCOUNTING STANDARDS

WAC 230-07-130 Additional recordkeeping for charitable or nonprofit licensees. (1) Charitable or nonprofit licensees, except agricultural fairs, must maintain records which clearly show how the licensee used or disbursed the funds from each licensed activity. These records must provide an audit trail satisfactory for us to verify that the funds were used for the licensees' stated purpose(s). These records must include, at least, canceled checks for the disbursements.

(2) Charitable or nonprofit licensees must keep these records for three years from the end of the license year for which the record was created.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-130, filed 4/24/07, effective 1/1/08.]

WAC 230-07-135 Recording gifts. Charitable or nonprofit licensees must keep a written record for each gift which they have given to customers with an actual cost over one hundred dollars. Authorized "gifts" are defined in WAC 230-06-035. The record must include:

(1) How they selected the recipients;

(2) The number of gifts; and

(3) The total cost of each gift.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-135, filed 4/24/07, effective 1/1/08.]

WAC 230-07-140 Minimum accounting records for Class D and above bingo licensees and licensees with combined activities over five hundred thousand dollars. Class D and above bingo licensees and licensees who are authorized for more than five hundred thousand dollars gross gambling receipts from combined gambling activities during any fiscal year must keep accounting records necessary to document all receipts, costs, and disbursements, including, at least, those related to gambling activities.

Requirements for accounting records

For these accounting records, licensees must:

(1) Conform to generally accepted accounting principles (GAAP) except as modified by other commission rules; and

(2) Include, at least:

(a) A cash disbursements journal and/or check register;

(b) A cash receipts and/or sales journal;

(c) A list of all assets the licensee paid for;

(d) A listing of all liabilities;

(e) A complete general ledger system; and

(f) A list of all donated items valued at more than two hundred fifty dollars; and

(g) Bank statements, related deposit slips, and canceled checks or facsimiles of canceled checks; and

Donated items

(3) Document donated items. Licensees must:

(a) Use the fair market value at the time of donation;

(b) Add items to the list no later than thirty days after receiving them;

(c) Remove items when they no longer have legal ownership; and

(d) Not remove an item from the list, even if it has become obsolete or completely depreciated, until management has completed and documented appropriate review. A depreciation schedule for all capitalized items is sufficient; and

(e) Add items to the list when they convert items from gambling merchandise prize inventory to licensee use. This list must include, at least:

- (i) A description of the item;
- (ii) The date purchased, acquired by donation, or converted from the gambling prize pool;
- (iii) The cost at the time of purchase or, if donated, the fair market value at the time received; and
- (iv) The date and method of disposition of the item; and

Method of accounting

(4) Use the accrual method of accounting; and

(5) The cash, modified cash, or tax basis accounting methods may be used only if that method accurately represents the licensee's financial position, the results of operations, and the licensee does not have substantial liabilities or expenses, such as depreciation or amortization expenses, which require a current outlay of cash; and

Expenditures for nongambling activities

(6) Sufficiently document all expenditures relating to nongambling activities in order to provide a satisfactory audit trail and to allow us to verify that the funds were used for the licensee's stated purpose(s); and

Expenditures for gambling activities

(7) Sufficiently document all of the licensee's expenditures relating to gambling activities. Canceled checks or facsimiles of canceled checks, and bank statements are not sufficient documentation for expenditures without additional support. Licensees must provide additional support for expenditures, including:

(a) Invoices or other supporting documents from commercial vendors or service agencies with at least:

- (i) The name of the person or entity selling the goods or providing the services;
- (ii) A complete description of goods or services purchased;
- (iii) The amount of each product sold or services provided;
- (iv) The price of each unit;
- (v) The total dollar amount billed; and
- (vi) The date of the transaction.

(b) Documentation, in the form of checks and other written records of disbursements in excess of twenty-five dollars made directly to individuals who do not furnish normal, business type, invoices or statements. The written records must indicate at least:

- (i) The name of the person receiving the payment;
- (ii) The amount;
- (iii) The date; and
- (iv) The purpose; and

(8) Document allocated expenditures that relate to more than one function to the various functions. Licensees must document their methods of allocation and make them available for our review; and

Capitalizing assets

(9) Include a capitalization policy based on materiality and expected life of operating assets. To determine a minimum level for capitalizing assets, licensees must:

(a) Capitalize and depreciate, or amortize over the useful life of the asset, any assets of more than two thousand dollars that have a useful life of more than one year; and

(b) Capitalize and depreciate, or amortize over sixty months, beginning with the first month that bingo games are conducted, preoperating start up costs related to bingo games of more than six thousand dollars; and

(c) Amortize, over a period not longer than the life of the lease, any leasehold improvements related to gambling activities that are more than six thousand dollars. Licensees may extend the amortization period to include any lease option periods if the licensee's management states a reasonable expectation that they will use the lease option; and

(d) Charge all unamortized leasehold improvements as an expense of the gambling activities in the year that the lease expires.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-07-140, filed 1/14/08, effective 2/14/08; 07-10-032 (Order 609), § 230-07-140, filed 4/24/07, effective 1/1/08.]

REQUIRED ANNUAL REPORTS

WAC 230-07-145 Reporting annual progress. Charitable or nonprofit licensees in Groups III, IV, and V must report annually their progress toward meeting their stated purpose in the format we prescribe.

(1) The report must explain the type and scope of activities which licensees conducted during their last annual fiscal accounting period; and

(2) The report must include, at least:

(a) A brief history of the licensed organization, including its stated charitable or nonprofit purpose(s); and

(b) A written statement setting out their goals for meeting their stated charitable or nonprofit purpose(s) in the future; and

(c) The number of full and regular members; and

(d) A list of contributions, scholarships, grants, or sponsorships made during the period. This list must include:

(i) The name of each organization or individual receiving a contribution from the licensee. The licensee may use the phrase "individual contribution" in place of the recipient. If the recipient is not named in the report, the licensee must maintain records to verify and identify the recipient of each individual contribution; and

(ii) Whether funds awarded were from gambling income or other funds;

(e) Gross income from all nongambling activities and the source of the income; and

(f) The revenue and expenses for any nongambling sales activities, presented separately, when conducted primarily in conjunction with gambling activities; and

(g) Total expenses for both charitable or nonprofit services; and

(h) The percentage or extent to which the licensee used net gambling income for charitable as distinguished from nonprofit purposes; and

(i) The details of any loans, contracts, or other business transactions with related parties that cumulatively exceed one thousand dollars during the period. "Related parties" means officers, board members, key employees, or members of the licensed organization, including direct relatives of each; and

(3) The report must be submitted no later than one hundred twenty days following the end of the organization's fiscal year.

(4) We may grant an organization additional time to submit the report if a written request is received before the due date. The president of the organization must sign any request for additional time and include a statement explaining the hardship causing the delay, and the expected date the required report(s) will be submitted.

[Statutory Authority: RCW 9.46.070. 10-09-021 (Order 666), § 230-07-145, filed 4/13/10, effective 7/1/10; 07-10-032 (Order 609), § 230-07-145, filed 4/24/07, effective 1/1/08.]

WAC 230-07-150 Financial statements required for Groups III, IV, and V. (1) In addition to information required in WAC 230-07-145, charitable or nonprofit licensees in Groups III, IV, and V must also submit complete financial statements prepared in accordance with generally accepted accounting principles (GAAP).

(2) Licensees in Groups IV and V must have the financial statements prepared by an independent certified public accountant.

(3) The statements and all required disclosures or footnotes no later than one hundred twenty days following the end of the licensee's fiscal year.

(4) The financial statements must include:

(a) A statement of financial position;

(b) A statement of activities. This statement may be presented in a consolidated form if licensees provide the details of each component as supplemental information. Licensees must present revenue and expenses for each activity separately as follows:

(i) Each gambling activity; and

(ii) Retail sales conducted in conjunction with gambling activities;

(c) A statement of cash flows;

(d) A statement of functional expenses;

(e) In addition to all disclosures required by GAAP, the financial statements must disclose the following:

(i) Loans to or from officers, board members, and employees: We will not consider employee salary advances of five hundred dollars or less as loans. Details of all terms, including interest rates and payment schedules, must be disclosed;

(ii) All civil penalties, fines, bribes, or embezzlements incurred or discovered during the period; and

(iii) An explanation of any adjustments made to prior period capital accounts or net asset balances;

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(f) An explanation of material differences between amounts reported on gambling activity reports and the financial statements.

(5) We may require additional information to ensure completeness of the information reported.

(6) We may grant an organization additional time to submit the information required if a written request is received before the due date. The president of the organization must sign any request for additional time and include a statement explaining the hardship causing the delay, and the expected date the required report(s) will be submitted.

[Statutory Authority: RCW 9.46.070 and 34.05.353. 08-11-037 (Order 626), § 230-07-150, filed 5/14/08, effective 7/1/08. Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-150, filed 4/24/07, effective 1/1/08.]

WAC 230-07-155 Reporting annual activity for raffles, amusement games, Class A, B, or C bingo, or combination licenses. (1) Raffle, amusement game, Class A, B, or C bingo, or combination licensees must submit an annual report of all their activities in the format we require.

(2) We must receive the completed report in our office postmarked no later than thirty days following the expiration of their license(s).

(3) The highest ranking officer or his/her designee must sign the report.

(4) If the licensee has someone else prepare the report, then the preparer must include his/her name and phone number on the report.

(5) Licensees that operate retail sales activities in conjunction with bingo games must report the net income from those retail sales activities.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-155, filed 4/24/07, effective 1/1/08.]

WAC 230-07-160 Reporting annual activity for agricultural fairs. (1) Charitable or nonprofit licensees who operate bingo, raffles, and/or amusement games only at agricultural fairs and other special properties and permittees as defined in WAC 230-03-015 who operate bingo under another's license at agricultural fairs and other special properties must submit an annual report of all their activities in the format we require.

(2) We must receive the completed report in our office postmarked no later than thirty days following the expiration of the license year.

(3) Permittees operating under another's license must provide the licensee with all information about the permitted operation that is needed by the licensee to complete the annual activity report not less than ten days before the time that we require the licensee to file his or her report.

(4) The highest ranking officer or his or her designee must sign the report. If the licensee has someone else prepare the report, then the preparer must include his or her name and phone number on the report.

[Statutory Authority: RCW 9.46.070. 07-10-032 (Order 609), § 230-07-160, filed 4/24/07, effective 1/1/08.]

Chapter 230-10 WAC

BINGO RULES

WAC

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DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-10-450	Controlling gambling equipment by linked bingo prize licensees. [Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-450, filed 4/24/07, effective 1/1/08.] Repealed by 07-21-116 (Order 617), filed 10/22/07, effective 1/1/08. Statutory Authority: RCW 9.46.070.
230-10-455	Operating linked bingo prize games. [Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-455, filed 4/24/07, effective 1/1/08.] Repealed by 08-11-037 (Order 626), filed 5/14/08, effective 7/1/08. Statutory Authority: RCW 9.46.070 and 34.05.353.

BINGO DEFINITIONS AND EQUIPMENT REQUIREMENTS

WAC 230-10-001 Defining "licensees," "licensee," "organizations," "organization," "operators" and "operator." (1) In this chapter of the rules, "licensee" and "licensees" means those charitable or nonprofit organizations which we require to be licensed to conduct gambling activities.

(2) In this section of the rules, "organization" and "organizations" means:

- (a) Licensees; and
- (b) All bona fide charitable or nonprofit organizations conducting unlicensed gambling activities authorized by chapter 9.46 RCW.

(3) In this section of the rules, "operator" and "operators" mean licensees, organizations, and individuals.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-001, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-001, filed 4/24/07, effective 1/1/08.]

WAC 230-10-005 Agricultural fair bingo game licensees must only allow a permittee to operate bingo under their license. An agricultural fair licensed for the operation of bingo must not allow any person to conduct bingo under the fair's license unless that person has applied for and received an agricultural fair bingo permit from us.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-005, filed 4/24/07, effective 1/1/08.]

WAC 230-10-010 Defining "bingo game." "Bingo game" means a game using bingo cards where bingo balls are drawn to determine a winner. All bingo games must have a

winner determined by the matching of numbers on a bingo card with numbers on the balls called by the operator.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-010, filed 4/24/07, effective 1/1/08.]

WAC 230-10-015 Defining "bingo session." "Bingo session" means a continuous series of bingo games with no breaks except for short intermissions.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-015, filed 4/24/07, effective 1/1/08.]

WAC 230-10-020 Defining "bingo occasion." "Bingo occasion" means a period of time beginning when the first number in the first bingo session is called and ending when the last winning number on the final winning bingo card of the last bingo session has been verified. This is also known as a "bingo day."

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-020, filed 4/24/07, effective 1/1/08.]

WAC 230-10-025 Defining "bingo equipment." (1) "Bingo equipment" means all equipment for use in bingo games for which consideration is charged to play and prizes are awarded to winners. Bingo equipment includes, at least:

(a) Bingo ball mixers that use air flow (blowers) or other mechanical means to mix balls and allow balls to be randomly drawn; and

(b) Electronic flashboards that interface with the mixing and selection devices; and

(c) Bingo cards; and

(d) Electronic bingo card daubers, including the software and equipment connected with them; and

(e) Any other device commonly used in the direct operation of the game.

(2) Bingo equipment does not mean general purpose equipment, such as:

(a) Tables, chairs, or card stands; or

(b) Audio or video equipment used only to communicate progress of the game to players; or

(c) Computer or cash register equipment used to record sales or store records; or

(d) General supplies, such as glue sticks, daubers, and other items for resale to players; or

(e) Bingo games manufactured and sold for recreational purposes.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-025, filed 4/24/07, effective 1/1/08.]

WAC 230-10-030 Bingo card definitions. For purposes of this title:

(1) "Card" means a unique group and configuration of numbers printed on paper, cardboard, or other material used in bingo games. This is also called a "face."

(2) "Card number" means the number the manufacturer assigns to identify a single card or face. The "card number" is also called a "face" or "perm" number.

(3) "Number" means numeral or symbol printed on the card.

(4) "Collate" means the process of cutting or assembling master sheets or precut sheets of cards from one or more sets

of cards into packets or books for marketing purposes. "Collate" is also called "finish" or "finishing."

(5) "Collation" means a group of packets or books of cards assembled from more than one set of cards.

(6) "Cut" means the layout or orientation of cards or sheets of cards divided from a master sheet of cards. A "cut" may be either square, horizontal, or vertical.

(7) "Disposable bingo card" means a nonreusable paper bingo card manufactured by a licensed manufacturer.

(8) "Duplicate cards" means two or more cards that are imprinted with the same numbers.

(9) "On" means the number of cards imprinted on a sheet. (Example: "Three on.")

(10) "Pack" means a group of cards or sheets of cards collated into a book and each page or sheet is intended to play a separate bingo game, including "on-the-way" games, within a session. This is also called a "packet."

(11) "Product line" means a specific type of card identifiable by unique features or characteristics when compared to other types of cards the manufacturer markets. A "product line" includes all series and all cards within each series the manufacturer identifies.

(12) "Consecutively numbered" means a numbering system normally beginning with the number one, increased by one for each individual unit added to the group, and ending with a number identical to the total number of units assigned to that group.

(13) "Serial number" means a number the manufacturer assigns for identification and tracking purposes to a set of cards. The same number must not identify another set of cards from the same product line, color, border pattern, and series in less than 999,999 occurrences or twelve months, whichever occurs first. If the product line is used as a determining factor for assignment of a serial number, the difference between various product lines must be readily identifiable by observation.

(14) "Series" of cards means a specific group of cards that a manufacturer assigns consecutive card numbers. The first and last card numbers in a series typically identify the group of cards. (Example: The "1 to 9000 series.")

(15) "Set" of cards means a specific group of cards from the same product line, which are the same color, border pattern, and imprinted with the same serial number. A "set" of cards may include more than one series of cards.

(16) "Sheet number" means the number the manufacturer assigns to identify an arrangement of more than one card that results from dividing master sheets of cards to help marketing.

(17) "Skip" means the standard spread or difference between card or sheet numbers at different page levels in packs or packets.

(18) "Subset" means a portion of a set of cards or collation of packets that a licensed distributor divides to help marketing.

(19) "Up" means the number of pages or sheets collated into each packet or book of cards. (Example: "Eight up.")

[Statutory Authority: RCW 9.46.070, 07-21-116 (Order 617), § 230-10-030, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-030, filed 4/24/07, effective 1/1/08.]

(9/9/1)

WAC 230-10-035 Bingo card requirements. Bingo cards must:

(1) Be preprinted cards manufactured by a licensed manufacturer or electronically generated cards produced by the operator using a printer interfaced with an electronic data base system; and

(2) Not have the same serial number, color/border pattern, and card number as any disposable bingo cards on the premises. This includes player selection, keno, and speed bingo cards; and

(3) Have twenty-five spaces imprinted with numbers one of which may be a free space, arranged in five even columns headed with the letters B, I, N, G, and O, unless they are player selection or speed bingo cards.

[Statutory Authority: RCW 9.46.070, 07-10-033 (Order 610), § 230-10-035, filed 4/24/07, effective 1/1/08.]

WAC 230-10-040 Disposable bingo cards—Additional requirements. (1) Disposable bingo cards must:

(a) Meet all bingo card requirements; and

(b) Be imprinted with a unique set and configuration of numbers on each card; and

(c) Not duplicate cards within a specific product line; and

(d) Include a control system in each set which:

(i) Identifies that specific set and each specific card within that set; and

(ii) Allows tracking of the transfer of cards from the point of manufacture to the operator; and

(iii) Facilitates sale by the operator to the player; and

(e) Have an identification and inspection stamp from us sold to the licensed manufacturer or to the operator and attached to the series by the licensed manufacturer, the operator, or us.

(2) Bingo licensees using the combination receipting method may divide sets or collations of cards into no more than ten subgroups. Licensees must follow disposable bingo card inventory control requirements for each subgroup.

[Statutory Authority: RCW 9.46.070, 07-10-033 (Order 610), § 230-10-040, filed 4/24/07, effective 1/1/08.]

WAC 230-10-045 Disposable bingo card inventory control. Bingo licensees must control and account for all disposable bingo cards they purchase or otherwise obtain.

(1) All licensees must keep:

(a) All purchase invoices, or photocopies of the invoices, for received disposable bingo cards on the bingo premises; and

(b) All manufacturer packing records as part of the inventory control record.

(2) Class D and above licensees must prepare an inventory control record in the format we require immediately after purchase of disposable bingo cards or before the next bingo session. We may approve alternative formats, such as electronically generated forms, if the licensee requests it in writing.

[Statutory Authority: RCW 9.46.070, 07-10-033 (Order 610), § 230-10-045, filed 4/24/07, effective 1/1/08.]

WAC 230-10-050 Electronically generated bingo cards—Additional requirements. (1) "Electronically gen-

erated bingo cards" means bingo cards for which a licensed manufacturer has predetermined the numbers and the sequence of arrangement and stored them electronically for computer access. Electronically generated bingo cards must:

- (a) Meet the requirements for bingo cards; and
- (b) Be printed by the licensed bingo operator, during the bingo session on a printer interfaced with the computer; and
- (c) If printed before the time of sale, be sold consecutively at each individual sales point, beginning with the lowest card, sheet, or transaction number; and
- (d) Have a master verification system that provides a facsimile of each card. The master verification system must display the exact numbers and the location or configuration of numbers on the card.

(2) The bingo licensee must keep cards or sheets of cards not issued consecutively during a session as a part of their daily bingo records.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-050, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-050, filed 4/24/07, effective 1/1/08.]

WAC 230-10-055 Bingo cards required for Class F and above bingo games. Class F and above bingo licensees must use disposable bingo cards, electronically generated bingo cards, player selection bingo cards, or three number speed bingo cards.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-055, filed 4/24/07, effective 1/1/08.]

WAC 230-10-060 Bingo ball requirements. Bingo balls must be:

- (1) A set of seventy-five balls bearing the numbers one through seventy-five and the letters B, I, N, G, or O, though the letters B, I, N, G, O need not appear if the operator is playing three number speed or hidden face bingo games; and
- (2) Available for inspection by the players before a bingo session begins to determine that all are present; and
- (3) The same weight as each of the other balls and free from any defects; and
- (4) Distinguishable from all other sets of balls in play.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-060, filed 4/24/07, effective 1/1/08.]

WAC 230-10-065 Bingo ball mixer required for Class D and above bingo games. Class D and above bingo licensees must use a machine that mixes balls and selects balls using air flow (a blower). The blower must:

- (1) Allow players full view of the mixing action of the balls; and
- (2) Not allow changes to the random placement of the balls in the exit tube of the blower except when it is shut off.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-065, filed 4/24/07, effective 1/1/08.]

WAC 230-10-070 Bingo flashboard requirements for Class D and above bingo games. (1) Class D and above bingo licensees must use flashboards to display numbers. The flashboards must be visible to all players and clearly indicate all numbers that have been called; and

- (2) If a flashboard malfunctions, licensees must repair it before using it in any other bingo occasion.

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[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-070, filed 4/24/07, effective 1/1/08.]

OPERATING BINGO GAMES

WAC 230-10-075 Licensed bingo manager required.

A licensed bingo manager must be on the premises and supervising bingo operation during all hours bingo games are conducted, except bingo games conducted:

- (1) Under RCW 9.46.0321; or
- (2) At a qualified agricultural fair; or
- (3) Under a Class A, B, or C bingo license; or
- (4) At a special bingo property we authorize.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-075, filed 4/24/07, effective 1/1/08.]

WAC 230-10-080 Supervision required for bingo workers. Bingo licensees must closely supervise all persons involved in the conduct of gambling activities to ensure that they follow chapter 9.46 RCW and Title 230 WAC.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-080, filed 4/24/07, effective 1/1/08.]

WAC 230-10-085 Members or employees only to work bingo. (1) Bingo licensees must not allow anyone except full and regular members or employees of the organization to take part in managing or operating bingo games.

- (2) Licensees may allow:

(a) Persons other than the primary bingo manager to participate in bingo games for another bingo licensee. We do not consider a licensed assistant gambling manager to be a manager for this section; or

(b) Primary managers to manage or operate bingo for more than one Class A, B, or C licensee as long as the managers do not receive payment for services from more than one licensee; or

(c) A person to manage or take part in operating a shared bingo operation according to WAC 230-10-470.

(3) Qualified agricultural fairs licensed to operate bingo are not required to meet these management or operation restrictions.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-085, filed 4/24/07, effective 1/1/08.]

WAC 230-10-090 Workers not playing in Class D and above bingo games. (1) Class D and above bingo licensees must not allow persons who participate in operating or managing their bingo games to play in any of their bingo games.

(2) Persons who work without compensation for Class D and above licensees may play bingo, but they must not play during bingo sessions they are operating or managing.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-090, filed 4/24/07, effective 1/1/08.]

WAC 230-10-095 Compensation limits for bingo employees. (1) Bingo licensees must not compensate employees who manage, operate, or otherwise work at bingo games more than what is reasonable under the local prevailing wage scale or local salary scale for a similar position.

(2) Organizations operating unlicensed bingo games must not pay wages to anyone operating or managing bingo activities.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-095, filed 4/24/07, effective 1/1/08.]

WAC 230-10-100 Hours for bingo games. (1) Bingo licensees must not allow the use of their premises for bingo games between the hours of 2:00 a.m. and 6:00 a.m. unless we approve different hours or they are operating at an authorized agricultural fair or under RCW 9.46.0321.

(2) Licensees may request, in writing, different hours of operation. Once the request is received, we will consult with the local law enforcement agency having jurisdiction over the licensee's business and with other state agencies involved in regulation of the business. We may allow licensees to adjust closing hours, but licensees must:

(a) Observe a four-hour period of closure at the end of each business day before beginning the next period of operation; and

(b) Comply with any other terms and conditions we require.

(3) We may deny the request for extended hours or revoke hours already approved if:

(a) Any local law enforcement agency or state agency objects in writing; or

(b) We determine that the licensee has violated any provisions of chapter 9.46 RCW, any other commission rule, or any of the terms set forth in subsection (1) of this section.

(4) The licensee must submit all objections to revocations of operating hours in writing.

(5) We allow the licensee an opportunity for a brief adjudicative proceeding (BAP) before denying or revoking the licensee's authorization for extended bingo hours. An administrative law judge hears the BAP, under the provisions of Title 230 WAC and chapter 34.05 RCW.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-100, filed 4/24/07, effective 1/1/08.]

WAC 230-10-105 Posting bingo rules. (1) Bingo licensees must inform players by prominently posting:

(a) All costs to play; and

(b) All prizes available, including any extra cost or conditions of ownership related to prizes, the minimum amount of an individual prize, the prize pool, or the portion of a prize pool available for each bingo game before the players purchase a bingo card; and

(c) The licensee's cost or the retail value of all noncash prizes greater than five hundred dollars. If licensees use the retail value, they must explain that the amount is the "retail value" or "manufacturer's suggested retail price" (MSRP); and

(d) All rules concerning winning the prizes (the house rules). If a bingo is determined to be valid, the licensee must pay a prize which is equal to the prize posted for that game. If the bingo is valid, we will resolve disputes in favor of the player; and

(e) Any unforeseen event that might change the cost to play or prizes available; and

(f) If duplicate cards are in play.

(9/9/1)

(2) Licensees must inform players in broadcast or published advertisements or other distributed printed information if there are any possible events which might change game schedules, prizes awarded, or cost to play. Advertised bingo prizes and game formats may be changed in case of inclement weather, natural disaster, or other unforeseen emergencies if the licensee informs players before they purchase cards.

(3) If players may still participate in the game after the winner of any one of the prizes offered has been determined, licensees must remove the prize won from any display and list of prizes posted on the premises. During a bingo session, licensees may use the public address system and prominent display of the game name or number to inform players of prizes already won.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-105, filed 4/24/07, effective 1/1/08.]

WAC 230-10-110 Changing prize amounts in bingo games. (1) The bingo manager may increase the minimum prize before the start of a game.

(2) During the game, the bingo manager may increase the minimum prize through one or more of the following plans:

(a) Games using standard bingo equipment and cards, but determining a winner by:

(i) The number of numbers called; or

(ii) The specific number called; or

(iii) The specific letter called; or

(iv) The specific position of winning combinations on the card; or

(v) The specific position of the card on the sheet of cards; or

(vi) Odd or even numbers; or

(vii) The number of numbers matched within a specific number of calls; or

(b) Preprinted games on disposable cards that determine a win by calling a specific number during a game; or

(c) Second element of chance games explained in WAC 230-10-280.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-110, filed 4/24/07, effective 1/1/08.]

WAC 230-10-115 Selling bingo cards. (1) Operators must sell bingo cards before they select the first number for a specific game:

(a) If operators sell cards after the start of the game, they must ensure that the late sale does not allow any player an advantage over another player; and

(b) Bingo hard cards purchased or exchanged after the first number is selected for a specific game may only be used during later games; and

(c) Operators must not allow players to select specific bingo cards after the first number is selected for a specific game.

(2) Operators must sell all cards for a specific prize for the same price. The cards sold for a specific prize must be distinctive and easy to tell apart from all other bingo cards in play.

(3) Operators may sell similar cards used to participate for the same prize at a volume discount if they record each

separate discount price with an identification code or cash register key that provides for an audit trail.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-115, filed 4/24/07, effective 1/1/08.]

WAC 230-10-120 Duplicate bingo cards not sold for Class D or above bingo games. (1) Class D or above bingo licensees must not sell duplicate cards in bingo games. Licensees using cards from multiple manufacturers may result in duplicate cards because the majority of cards in the "1 to 9000 series" are duplicate, regardless of the manufacturer.

(2) Licensees must:

(a) Inform players of limits on prizes if duplicate cards win because Braille cards are in play; and

(b) Not be held responsible for duplicate cards caused by Braille cards in play.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-120, filed 4/24/07, effective 1/1/08.]

WAC 230-10-125 Duplicate bingo cards pay out and documentation for Class D or above bingo games. (1) If Class D or above bingo licensees inadvertently sell duplicate bingo cards, they must:

(a) Pay all winners with duplicate cards the entire prize amount that would be due if there were no duplicate cards; or

(b) Compute and pay all winners with duplicate cards using the following guidelines:

(i) **If the game provides a bonus for a single winner and all winners have duplicate cards**, then the licensee must pay all winners the bonus; or

(ii) **If the game results in multiple winners and some of the players have duplicate cards**, then the licensee must calculate the split of the prize pool by counting all duplicate card winners as one. All winners will be paid according to the calculated prize split; or

(iii) **If the prize pool contains noncash or merchandise prizes**, then the licensee may use the cost or retail value of the merchandise, whichever is posted in the game schedule, to calculate the amount added to the prize pool to make the split. Manufacturers are not responsible for reimbursement to this noncash or merchandise prize pool; or

(iv) **If the prize is more than one thousand dollars**, then the licensee must increase the total prize pool by no more than fifty percent or five thousand dollars, whichever is less. We authorize this limitation only once within a twelve-month period; and

(2) Licensees may deduct increases to prize pools caused by card manufacturers from prize pay outs when calculating cash flow.

(3) Licensees must document details of circumstances that resulted in duplicate cards being sold and maintain that documentation as a part of the daily bingo record for the session.

(4) Licensees must notify us within forty-eight hours after discovery of a duplicate card sale if:

(a) Manufacturer printing, packaging, or collation errors caused the duplication. Licensees must request reimbursement from the manufacturer responsible for duplicate card errors; or

(b) The licensee did not pay any winning player with a duplicate card the entire prize amount.

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[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-125, filed 4/24/07, effective 1/1/08.]

WAC 230-10-130 Reserve only Braille bingo cards.

(1) Operators must not reserve any bingo cards, except Braille cards or other cards used by people with visual impairments.

(2) Operators may inspect, and reject, any personal Braille cards.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-130, filed 4/24/07, effective 1/1/08.]

WAC 230-10-135 Bingo cards sold on premises only.

All sales of bingo cards must take place on the premises during or immediately before the bingo session for which the player is buying the card.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-135, filed 4/24/07, effective 1/1/08.]

WAC 230-10-140 Drawing, calling, and posting bingo numbers. (1) Except for linked bingo prize games, operators must draw bingo balls on the premises and in the presence of players.

(2) After drawing a ball, the caller must immediately display the number of the ball to players.

(3) Operators must call the number before another ball is drawn. After it is called, the operator must light the number on the flashboard(s), if they have one.

(4) If the number on the ball is not applicable to the game being played, operators may choose not to call the number.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-140, filed 4/24/07, effective 1/1/08.]

WAC 230-10-145 Determining bingo winners. (1) A bingo game ends when a player achieves a specific pattern on a bingo card or when the bingo operator has called a specific number of bingo balls.

(2) Operators must use a separate drawing process for each game, except for:

(a) Interim or "on-the-way" games, including "instant winner" games in which players win by matching a predetermined number, the number of balls called, or a predetermined pattern within an established number of calls; or

(b) Games in which cards are sold for different prices and players win a different prize depending on the price they paid to play; or

(c) Bonus games played at the same time as other bingo games where the player wins by calling a valid bingo that includes a predetermined number.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-145, filed 4/24/07, effective 1/1/08.]

WAC 230-10-150 Multiple bingo winners. If more than one player wins a designated prize pool at the same time, the operator must divide the prize pool equally among the multiple winners.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-150, filed 4/24/07, effective 1/1/08.]

WAC 230-10-155 Verifying bingo winners. When a player declares a winning bingo, the operator must:

(1) Have a bingo worker and at least one neutral player inspect the card or electronic dauber; or

(2) Have a bingo worker verify the card or electronic dauber by entering the bingo card number into an electronic verifier which will broadcast the winning card onto video screens for all players to view. Any player may request to see the actual winning card and the operator must allow the player to do so; or

(3) If the game is an "instant winner" and pays a prize of no more than fifty dollars, no neutral player needs to verify the card if the operator keeps an audit trail which identifies the winning combination called.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-155, filed 4/24/07, effective 1/1/08.]

WAC 230-10-160 Shutting off the bingo ball blower.

When a player declares a winning bingo, operators must draw the next ball out of the blower before shutting the blower off. If the bingo is not valid, the operator must call the next ball.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-160, filed 4/24/07, effective 1/1/08.]

WAC 230-10-165 Awarding bingo prizes. After licensees validate a winning bingo, they must:

(1) Require the prize winner to provide proof that they have purchased the winning bingo card. The licensee must review the winner's bingo card purchase receipt and determine that the player properly purchased all cards played, including the winning card; and

(2) Require proof of identification necessary to establish the prize winner's identity before paying any prize. The winner must provide proof to the licensee that all information this rule requires is true and accurate. Licensees may withhold prizes until the winner provides adequate identification; and

(3) Award the prize and record it on a prize receipt. Licensees must record the complete address and tax payer identification number of each winner for prizes valued at \$1,200 or more.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-165, filed 4/24/07, effective 1/1/08.]

WAC 230-10-170 Prizes paid for and available before bingo game starts. (1) Bingo operators must:

(a) Have paid for all merchandise prizes in full before offering the prizes in a bingo game; and

(b) Have the prizes available before starting the game; and

(c) Award the prizes before the end of the related bingo session, except for the main linked bingo prize and linked bonus prizes, which must be paid within forty-eight hours.

(2) Operators may enter into contracts to purchase merchandise immediately if it is awarded as a prize. The contract may be revocable if:

(a) Winners have an option to receive a cash prize; or

(b) The prize is no longer being offered.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-170, filed 4/24/07, effective 1/1/08.]

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RULES FOR ELECTRONIC BINGO CARD DAUBERS

WAC 230-10-175 Defining "electronic bingo card daubers." "Electronic bingo card daubers" means electronic equipment players use to identify bingo cards that contain numbers that a player inputs.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-175, filed 4/24/07, effective 1/1/08.]

WAC 230-10-180 Electronic bingo card daubers requirements. (1) Electronic bingo card daubers must:

(a) Be manufactured by licensed manufacturers; and

(b) Be sold, leased, and serviced by licensed distributors or manufacturers. Operators may perform routine maintenance; and

(c) Have an I.D. stamp from us that was sold to the licensed manufacturer or the operator and attached by the licensed manufacturer, the operator, or us; and

(d) Be unable to modify the computer program which operates the dauber units or the electronic data base which stores the bingo cards; and

(e) Store preprinted bingo cards a player purchases. The electronic images of cards stored in daubers are for player convenience only and are not bingo cards for purposes of this title; and

(f) Use cards that meet all requirements of bingo cards and electronic bingo cards; and

(g) Allow players to input the numbers called; and

(h) Compare input numbers to bingo cards stored in an electronic data base; and

(i) Identify to the player those stored bingo cards that contain the input numbers.

(2) Operators providing electronic daubers must have the cards printed, placed in a master index, and available for on-site inspection at the request of law enforcement agencies, customers, or us.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-180, filed 10/22/07, effective 1/1/08.]

WAC 230-10-185 Electronic bingo card daubers restrictions. (1) Electronic bingo card daubers must not allow a player to play more than one hundred forty-four cards on the dauber at one time; and

(2) Players must:

(a) Input each number the operator calls into the memory of the dauber separately. Automatic or global marking of numbers is prohibited; and

(b) Call the bingo without using the dauber or the associated system; and

(c) Identify the winning card and display the card to the operator; and

(d) Not play more than one dauber at any point in time. However, a player may play one dauber and an unlimited number of bingo cards at the same time.

[Statutory Authority: RCW 9.46.070 and 9.46.0205. 11-19-032 (Order 676), § 230-10-185, filed 9/9/11, effective 10/10/11. Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-185, filed 4/24/07, effective 1/1/08.]

WAC 230-10-190 Discount marketing for electronic bingo card daubers. (1) Bingo licensees may use a single

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discount level for each type of card sold on electronic bingo card daubers, if they:

- (a) Have a minimum purchase requirement; and
- (b) Apply the discount to all additional cards bought; and
- (c) Do not use an "All you can play" discount.

(2) If a licensee offers volume discount marketing for bingo cards, players must not use electronic bingo daubers.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-190, filed 4/24/07, effective 1/1/08.]

WAC 230-10-195 Leasing electronic bingo card daubers. If a bingo licensee leases electronic bingo daubers from a manufacturer, the lease must not be based on, in whole or in part, the bingo card sales or the rental income from the daubers. However, manufacturers may base fees on the number of cards placed on a dauber for player selection games.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-195, filed 4/24/07, effective 1/1/08.]

WAC 230-10-200 Reserving and assigning electronic bingo card daubers. (1) Bingo operators using electronic bingo card daubers must reserve at least one dauber for players with disabilities that restrict their ability to mark cards. The disabilities must be consistent with definitions in the Americans with Disabilities Act (ADA). If there are no requests for use of this dauber fifteen minutes before the scheduled start of the session, operators may allow any player to use the dauber.

(2) If operators use a drawing to assign daubers to players, they must ensure that the players know the method of drawing and have an equal chance to win.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-200, filed 4/24/07, effective 1/1/08.]

WAC 230-10-205 Electronic bingo card dauber fees.

(1) Bingo operators may charge either no fee or a flat fee for players to use electronic bingo card daubers.

(2) Operators must not:

(a) Charge a rental fee to players with disabilities that restrict their ability to mark cards if the disabilities are consistent with the ADA; or

(b) Make players with disabilities comply with minimum purchase requirements for daubers. However, players with disabilities must comply with any minimum purchase required of all other players.

(3) Operators must report rental fees for daubers as bingo receipts.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-205, filed 4/24/07, effective 1/1/08.]

PLAYER SELECTION BINGO GAMES

WAC 230-10-210 Player selection bingo games authorized. Bingo licensees may offer player selection bingo games. "Player selection bingo game" means a bingo game where players select their own numbers. Licensees must use bingo cards with controls that provide an audit trail adequate to determine all winning combinations are valid.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-210, filed 4/24/07, effective 1/1/08.]

WAC 230-10-215 Player selection bingo game requirements. If bingo licensees offer player selection games, they must use:

(1) Two-part disposable cards and then they must:

(a) Use the disposable card method of receipting for income; and

(b) Establish and prominently post house rules setting out conditions for adding to, deleting from, or changing a card before it is separated from the copy. A worker authorized by the bingo manager must verify all changes to the card; and

(c) Ensure that players mark their numbers on each card in a distinct, clear, and legible manner before separating the duplicate and the original. Licensees must not allow anyone to alter the copies after the duplicate and original cards are separated; and

(d) Place all original cards in lockboxes to ensure no one places cards in the lockbox after the first bingo ball is called; and

(e) Ensure the player retains and plays the duplicate copy; or

(2) Electronically generated cards and then they must:

(a) Use the electronically generated bingo card method of receipting for income; and

(b) Ensure that players do not mark or deface the card in any manner that prevents reading of the bingo numbers or any of the data imprinted on the card; and

(3) Keep all winning cards and any duplicate copies as part of the daily bingo records.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-215, filed 4/24/07, effective 1/1/08.]

WAC 230-10-220 Player selection bingo game card requirements. (1) Bingo cards used in player selection bingo games:

(a) Must be printed on two-part, self-duplicating paper to include an original and a duplicate copy. The duplicate copy must be given to the player and the operator retains the original as a part of the daily bingo records; and

(b) Must include a control system in each set which:

(i) Identifies that specific set; and

(ii) Numbers each sheet of cards within a set consecutively; and

(iii) Allows tracking of the transfer of cards from the point of manufacture to the operator and from the operator to the player; and

(c) May be produced by unlicensed manufacturers if:

(i) The primary activity of the manufacturer is producing nongambling products; and

(ii) The cards meet the general bingo cards requirements; and

(iii) The licensee assumes responsibility for complying with all requirements for player selection cards; and

(iv) The invoice transferring these cards includes the beginning and ending card number in addition to meeting all other sales invoice requirements; and

(d) If electronically generated, may be single copy cards if all information from the cards is either printed on a continuous transaction journal retained in the card generating equipment or stored on the computer hard drive in a data base and printed out at the end of each session.

(2) Operators offering an "instant winner" game under player selection bingo must:

- (a) Meet all requirements for awarding bingo prizes; and
- (b) Award prizes of not more than twenty-five percent of the total prize pool or two hundred fifty dollars, whichever is less; and
- (c) For prizes of two hundred fifty dollars or more:
 - (i) Have the winner sign the winning card on the back to verify a winner; and
 - (ii) If using a two-part card, record a neutral player's name and complete address on the back of the original card to verify the winning card was paid.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-220, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-220, filed 4/24/07, effective 1/1/08.]

WAC 230-10-225 Player selection bingo game restrictions. (1) Bingo licensees offering player selection bingo games must not pay as winners incomplete cards, altered cards that were not verified per WAC 230-10-155, or cards where all required information is not displayed and legible. Incomplete, incorrect, altered, and unreadable cards are the players' responsibility and operators must not allow refunds.

(2) Bingo managers may make a one-for-one exchange when errors are discovered before the start of the game or before the player selection card is separated. In this case, the operator must mark "VOID" on the original card, initial next to the player's initials, and keep the voided card as part of the daily bingo records.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-225, filed 4/24/07, effective 1/1/08.]

HIDDEN FACE BINGO GAMES

WAC 230-10-230 Hidden face bingo games authorized. Bingo licensees may offer hidden face bingo games. "Hidden face bingo game" means a bingo game that uses cards that prevent the numbers printed on the card from being viewed or known before the player opens the card.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-230, filed 4/24/07, effective 1/1/08.]

WAC 230-10-235 Hidden face bingo game requirements. (1) Hidden face bingo cards must meet the requirements for disposable bingo cards and each card or sheet of cards must:

- (a) Be printed, folded, and sealed in a manner that prohibits anyone from viewing or knowing the numbers, configuration of numbers on the card, or the card number before the player opens it; and
- (b) Have a separate numbering system that is randomly distributed when compared to the card number imprinted in the "free" space. Manufacturers must use procedures that mix cards or sheets of cards so that:
 - (i) No consistent relationship exists between the "card numbers" and separate numbering system within a set or subset; and
 - (ii) No patterns or consistent relationships exist in the location of a specific card number between subsets from different sets; and

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(iii) The serial number and the additional card or sheet number must be imprinted on the outside of the cards or sheets of cards and visible for recording without opening the card or sheet of cards; and

(iv) Each set of cards must contain at least six thousand unique faces or patterns of numbers; and

(2) Bingo licensees must:

(a) Use the disposable bingo card receipting method for sales of hidden face bingo cards; and

(b) Meet all inventory requirements for disposable bingo cards and disposable bingo card receipting; and

(c) Comply with rules about sequentially issuing bingo cards to ensure that duplicate cards are not sold during a game. Licensees must sell each complete set or subset of cards before they issue any cards from a different set or subset. Licensees may sell cards from more than one set during a game if care is taken to ensure that no duplicate cards are sold; and

(d) Complete all play during a single session and only use cards that are sold during that session; and

(e) Select and call a new set of numbers for each game or set of games (example: "On the way" games); and

(f) Have a separate display board, visible to the players, for displaying numbers called. The numbers must be displayed until the game is completed. Licensees may use alternative displays if the numbers are displayed on the electronic flashboard during all number selection periods; and

(g) Document and prominently post the requirements for a completed game; and

(3) Licensees offering an "instant winner" game under hidden face bingo must:

(a) Meet all requirements for awarding bingo prizes; and

(b) Award prizes of not more than twenty-five percent of the total prize pool or two hundred fifty dollars, whichever is less; and

(c) For prizes of two hundred fifty dollars or more:

(i) Have the winner sign the winning card on the back to verify a winner; and

(ii) If using a two-part card, record a neutral player's name and complete address on the back of the original card to verify the winning card was paid; and

(4) Players who have paid to participate in the game must be present when the numbers are selected.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-235, filed 10/22/07, effective 1/1/08.]

THREE NUMBER SPEED BINGO GAMES

WAC 230-10-240 Three number speed bingo authorized. Bingo licensees may offer three number speed bingo games. "Three number speed bingo" means a bingo game where:

(1) Operators use a reduced number of balls and special bingo cards with three spaces; and

(2) Bingo numbers are called rapidly; and

(3) The price to play includes an ante, retained by the operator, and a wager that begins at three units and decreases by one for each number covered on a player's card; and

(4) An "ante" is the fee retained by the licensee which allows a patron to play three number speed bingo; and

(5) A "wager" is the total dollar value of chips used to cover the numbers on a player's card; and

(6) Players compete against all other players for a pool of prizes that varies according to the numbers covered by other players during the game.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-240, filed 4/24/07, effective 1/1/08.]

WAC 230-10-245 Three number speed bingo restrictions. (1) Bingo licensees offering three number speed bingo must:

(a) Make the price to play no more than seven dollars per card, per game, including the ante and wagers; and

(b) Collect the same price to play for each card; and

(c) Licensees who charge a flat fee per session must determine the per game fee by dividing the fee per session by the minimum number of games to be played; and

(d) Not retain any part of players' wagers; and

(e) Pay to the winner(s) all wagers not covering a called number on a player's card. If there is more than one winner, licensees must equally split wagers among all winners. Licensees may develop a formula for splitting odd numbers of chips between winners; and

(f) Count only the ante as gross gambling receipts; and

(2) Licensees may contribute to accrued prize funds or progressive jackpots on three number speed bingo games, if they:

(a) Meet all requirements for accrued prize fund games as explained in the bingo records packet; and

(b) Fund the prize fund or jackpot solely from the ante.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-245, filed 4/24/07, effective 1/1/08.]

WAC 230-10-250 Operating three number speed bingo. To play three number speed bingo:

(1) Bingo licensees must use:

(a) Special bingo cards that have three spaces imprinted with numbers that correspond to the numbers on the balls; and

(b) Thirty numbered balls, with numbers one through seventy-five available for use; and

(2) Licensees may charge a set amount for each card for the entire session or an amount per card for each game; and

(3) Each player pays the bingo licensee one ticket for each speed bingo card played for each game; and

(4) When the licensee charges a per session fee, the player's ticket and cash register receipt must remain visible and on the table at all times during the game; and

(5) Each player's beginning wager is three chips for each card played during any single game. A player must have three chips for each card being played before beginning the game; and

(6) During the game, players place a wagering chip on each number on their cards that matches a called number. Once a wagering chip covers a valid number, the player keeps it and the game winner(s) may no longer win it. Players must leave all chips on the number on the card until the licensee collects all losing wagers. The bingo worker collecting wagers must verify that covered numbers are valid; and

(7) The first player to cover all three numbers on any card is the winner; and

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(8) After the winning card is verified, bingo workers collect all unprotected chips from all players and pay them to the winner.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-250, filed 4/24/07, effective 1/1/08.]

WAC 230-10-255 Wagers and prizes required in chips for three number speed bingo. In three number speed bingo, wagers must be made and prizes paid in chips only.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-255, filed 4/24/07, effective 1/1/08.]

WAC 230-10-260 Chip standards for three number speed bingo. (1) Bingo licensees must supply all chips used in three number speed bingo games. All chips must be conventional size and design, and include safeguards that maximize the integrity of the bingo games.

(2) The licensee must supply chips that:

(a) A licensed manufacturer produced; and

(b) A licensed manufacturer or distributor sold to the licensee; and

(c) Display the licensee's name or logo; and

(d) Clearly indicate the value of the chip.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-260, filed 4/24/07, effective 1/1/08.]

WAC 230-10-265 Banking services for three number speed bingo. (1) Bingo licensees must redeem all chips for the amount for which they were sold.

(2) Licensees must collect the money taken in on chips sold and antes collected and keep these funds separate from all other money they receive.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-265, filed 4/24/07, effective 1/1/08.]

WAC 230-10-270 Ticket sales and receipting for three number speed bingo income. (1) Bingo licensees must:

(a) Use the ticket method of receipting for bingo income; and

(b) Account for all tickets sold for per session fees using the combination receipting method; and

(2) All tickets sold and collected must be canceled by stamping the calendar date on the ticket at the time of sale or permanently defacing the tickets when collected; and

(3) Licensees must reconcile tickets sold and collected from players to cash for each session.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-270, filed 4/24/07, effective 1/1/08.]

WAC 230-10-275 Exceptions to other bingo rules for three number speed bingo. The following rules do not apply to three number speed bingo:

(1) Prize disclosure before players pay to play. Licensees must still disclose the per card cost to play and the amount required to wager on a single card; and

(2) Number of balls used to conduct the game; and

(3) Number of spaces required on each bingo card; and

(4) Requirements that Class F and above licensees use disposable bingo cards; and

(5) Requirements to account for all income at the time it is received; and

(6) Requirements of WAC 230-10-145 about drawing and physically displaying bingo numbers. However, licensees offering three number speed bingo must display the number on a flashboard and use the audio system to announce the number; and

(7) Recordkeeping for prizes awarded.

[Statutory Authority: RCW 9.46.070, 07-10-033 (Order 610), § 230-10-275, filed 4/24/07, effective 1/1/08.]

OTHER GAMES AUTHORIZED AT BINGO GAMES

WAC 230-10-280 Drawings for prizes, good neighbor prizes, and second element of chance prizes as part of bingo games. Bingo licensees may award prizes to winners of other activities authorized by this section when they conduct these activities as part of a bingo session. All players paying to play must compete equally and licensees must treat all prizes awarded as bingo game prizes for minimum cash flow reporting requirements.

Drawings

(1) Licensees may award prizes by:

(a) Drawing tickets randomly; or

(b) Using other random selection methods involving the ticket numbering system, if they are using the ticketing method of receipting for bingo income; or

(c) Using bingo cards in place of the tickets, if they are using the disposable bingo card method of receipting.

(2) Licensees must prominently post for players all rules regarding drawings, including, at least:

(a) Requirements to qualify for the drawing; and

(b) Time and date of the drawing; and

(c) Whether a player must be present to win.

(3) Licensees must:

(a) Award tickets for drawings only to players who bought cards to play bingo and:

(i) Pay an amount not more than one dollar per ticket. If a licensee elects to charge for entry in drawings, the licensee must not combine the drawing with other means of entry; or

(ii) Are winners of a bingo game during the bingo occasion; or

(iii) Are "good neighbor" winners; or

(iv) Meet other criteria we approve; and

(b) Not collect tickets for drawings for longer than thirty days.

(4) Licensees must record the gross gambling receipts, prizes, and expenses and report these totals as bingo activities.

(5) Licensees must not require the player to be present to win at a drawing held at a different session for which the tickets were purchased.

"Good neighbor" prizes

(6) Licensees may award prizes based on the seating location of a player or players with regards to a bingo winner. Before awarding "good neighbor" prizes, licensees must:

(a) Prominently post all rules regarding drawings, including, at least:

(i) The amount each "good neighbor" or group of "good neighbors" wins; and

(ii) All requirements to qualify for a prize.

(b) Licensees must complete a record setting out:

(i) The criteria for awarding "good neighbor" prizes; and

(ii) The number of prizes awarded during each bingo session; and

(iii) All details required as part of the daily bingo records.

Second element of chance prizes

(7) Licensees may award prizes using a second element of chance game if:

(a) Licensees prominently post and clearly explain to the players before they purchase a card to play all rules about play of the game. Licensees must disclose at least:

(i) The minimum odds of winning the highest prize; and

(ii) How they determine a winner; and

(iii) Any possibility or special requirement that might affect the outcome; and

(iv) The cash value of the highest prize available; and

(v) Any financial burden that the winner must bear, such as taxes or registration fees; and

(b) The second element of chance game does not involve the use of gambling devices; and

(c) The second element of chance game does not require the player to risk any portion of a prize already won; and

(d) Every possible outcome of the second element of chance game provides the player with an additional prize; and

(e) The player's minimum odds of winning the highest prize is equal to or greater than one winner out of one hundred twenty-five chances or the probability of winning the highest prize is .008 or greater; and

(f) Licensees maintain supporting records about the second element of chance game that provides for an audit trail.

(8) Licensees must:

(a) Keep an inventory record in the format we require for all tickets on the premises for conducting drawings, "good neighbor," and second element of chance games; and

(b) Record the criteria for granting tickets, and the number of tickets awarded during each session in the daily bingo record for each session; and

(c) Maintain all winning tickets and other records as part of the daily bingo records.

[Statutory Authority: RCW 9.46.070, 07-10-033 (Order 610), § 230-10-280, filed 4/24/07, effective 1/1/08.]

RULES FOR ENTRY GUARANTEE TICKETS TO SPECIAL EVENT BINGO

WAC 230-10-285 Selling entry guarantee tickets for special event bingo. Bingo licensees may sell entry guarantee tickets to players to reserve the right to play in special event bingo games if licensees:

(1) Use entry guarantee tickets to document the sale. Entry guarantee tickets must be preprinted with, at least:

(a) The name of the sponsoring organization; and

(b) The time, date, and location of the event; and

(c) The specific entry guarantee ticket number; and

(d) The total number of entries available for the event; and

(e) The cost of the entry; and

(f) Any conditions or events that might prevent the buyer from redeeming the entry ticket, affect the refund, or cancel the event; and

(2) Sell the tickets sequentially beginning with the low-numbered ticket; and

(3) Use the ticket receipting method to record all income from these entry guarantee tickets; and

(4) Sell the entry guarantee tickets no more than sixty days before the event; and

(5) Record the name, mailing address, and phone number of each person buying an entry guarantee ticket; and

(6) Limit the sales of entry tickets to the seating capacity of the licensed premises; and

(7) Limit the cost of the entry guarantee ticket to no more than fifty percent of the minimum buy-in for the event.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-285, filed 4/24/07, effective 1/1/08.]

WAC 230-10-290 Controlling entry guarantee tickets. Bingo licensees must:

(1) Treat all unaccounted-for entry guarantee tickets as cash shortages in the amount of the redemption value; and

(2) Maintain a record of all entry guarantee tickets sold; and

(3) Redeem entry guarantee tickets on the licensed premises and only for bingo cards during the bingo session for which the player bought the entry guarantee ticket; and

(4) Immediately cancel entry guarantee tickets redeemed for bingo cards using a hand stamp that prints "REDEEMED" on each ticket; and

(5) Treat entry guarantee tickets redeemed as gross gambling receipts for bingo at the session where they are redeemed; and

(6) Modify the cash reconciliation section of the daily bingo records to document the number and dollar value of entry guarantee tickets redeemed; and

(7) Deposit gross receipts from the sale of entry guarantee tickets separately into the gambling account no later than two banking days after they are received; and

(8) Keep the entry guarantee ticket numbers relating to the funds deposited as a part of the deposit record; and

(9) After thirty days, consider all unredeemed entry guarantee tickets void and record them as contributions to the organization.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-290, filed 4/24/07, effective 1/1/08.]

WAC 230-10-295 Canceling bingo special events with entry guarantee tickets. Bingo licensees may cancel the special event before the start of the scheduled bingo session. When an event is canceled, licensees must:

(1) Refund the entire purchase price of the entry guarantee ticket(s) to the ticket buyer; and

(2) Make all refunds by check payable to the buyer; and

(3) Record the entry guarantee ticket number on the check; and

(4) Mail the check to the customer no later than three days following cancellation of the special event.

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[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-295, filed 4/24/07, effective 1/1/08.]

WAC 230-10-300 Refunding entry guarantee tickets.

A customer may request a refund before the start of the special event bingo session. Bingo licensees must:

(1) Require the person requesting the refund to sign the back of the ticket; and

(2) Refund the entire purchase price of the ticket to the customer; and

(3) Make all refunds by check payable to the customer; and

(4) Record the entry guarantee ticket number on the check; and

(5) Mail the check to the customer no later than thirty days following the event; and

(6) Retain all refunded tickets as a part of the records for the event.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-300, filed 4/24/07, effective 1/1/08.]

GIFT CERTIFICATES

WAC 230-10-305 Gift certificates as bingo prizes.

When issuing gift certificates as bingo prizes, bingo operators must:

(1) Issue the gift certificates consecutively; and

(2) Not exceed fifty dollars per bingo prize in value; and

(3) Not issue gift certificates exclusively for punch boards or pull-tabs; and

(4) Record the value of each gift certificate as a bingo prize in the daily bingo records under the session awarded; and

(5) Keep the bingo prize receipt for the gift certificates as a part of the daily bingo records.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-305, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-305, filed 4/24/07, effective 1/1/08.]

WAC 230-10-310 Selling gift certificates. When selling gift certificates, bingo operators must:

(1) Issue the gift certificates consecutively; and

(2) Ensure that the gift certificates are paid for in full at the time of purchase; and

(3) Deposit all funds collected separately into the gambling account within five banking days; and

(4) Include each gift certificate number with the deposit record.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-310, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-310, filed 4/24/07, effective 1/1/08.]

WAC 230-10-315 Gift certificates requirements.

Bingo operator must purchase gift certificates from a commercial printer or licensed distributor.

(1) The gift certificates must have at least the following information printed on them:

(a) A predetermined gift certificate number; and

(b) A predetermined dollar value; and

(c) The name of the organization issuing the gift certificate; and

(d) Any conditions for the redemption of the gift certificate.

(2) Purchase invoices for the gift certificates, which must include, at least:

- (a) Name of the organization; and
- (b) Date the gift certificates were purchased; and
- (c) Beginning and ending numbers on the gift certificates.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-315, filed 4/24/07, effective 1/1/08.]

WAC 230-10-320 Redeeming gift certificates. When redeeming gift certificates, bingo operators must:

- (1) Record the dollar value and total number of gift certificates redeemed in the cash reconciliation section of the daily bingo records; and
- (2) Keep redeemed gift certificates as part of that day's daily bingo records.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-320, filed 4/24/07, effective 1/1/08.]

WAC 230-10-325 Reconcile gift certificates monthly. Bingo operators must reconcile gift certificates monthly. Operators must have a gift certificate inventory log, which includes, at least:

- (1) Each gift certificate number; and
- (2) Dollar value of each gift certificate; and
- (3) Date the gift certificate was sold or awarded as a bingo prize; and
- (4) Date the gift certificate was redeemed.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-325, filed 4/24/07, effective 1/1/08.]

RECORDKEEPING FOR BINGO GAMES

WAC 230-10-330 Activity reports for Class A, B, and C bingo, agricultural fairs, and other organizations. Licensees must immediately account for all income from bingo games. Class A, B, and C bingo licensees, organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair must follow the recordkeeping requirements in WAC 230-07-125 or any of the receipting methods for bingo income required for Class D or above licensees.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-330, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-330, filed 4/24/07, effective 1/1/08.]

WAC 230-10-331 Activity reports for Class D and above bingo licensees. Class D and above bingo game licensees must submit activity reports to the commission. The activity reports must be in the format we require and must:

- (1) Cover the periods:
 - (a) January 1 through March 31; and
 - (b) April 1 through June 30; and
 - (c) July 1 through September 30; and
 - (d) October 1 through December 31 of each year; and
- (2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period; and

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(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares the report, the preparer must print his or her name and business telephone number on the report; and

(4) Submit a report for any period of time their license was valid, even if they had no activity or did not renew.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-331, filed 10/22/07, effective 1/1/08.]

WAC 230-10-335 Bingo daily records. Bingo licensees must prepare detailed records for each bingo session during that session in the format we require. Daily records must include, at least:

(1) A copy of the schedule of games and prizes available for the session. Licensees must note any changes to the advertised and printed game and prize schedule that occur during a session and the bingo manager assigned primary responsibility for supervising the session and another bingo worker on duty during the session must verify and sign the change. If licensees note the effective dates of each game schedule, they may maintain it separately and update it only when a change occurs; and

(2) An attendance record indicating the number of people participating; and

(3) All bingo numbers selected and called during any game that offers a prize greater than two hundred dollars. Licensees must record the numbers in the sequence selected. They may use a computer generated "call sheet" instead of a manual record if a printout of results is made; and

(4) The winning card number(s) for each individual prize awarded greater than two hundred dollars. If the game is played using disposable bingo cards, the winning card may be retained instead of the card numbers; and

(5) The gross gambling receipts collected for each separate type of sale, of any kind, for bingo games including, but not limited to, regular games, early bird games, blackout games, special games, or pick up games. Licensees using the combination receipting method for bingo income must reconcile the extended value of all disposable cards, packets of cards, and electronically generated cards sold to the amount of sales recorded per the cash register; and

(6) The amount paid out or accrued for prizes awarded for each bingo game. Each session record must contain at least the following regarding prizes awarded:

- (a) The game number; and
- (b) The dollar amount or the actual cost of each prize; and

(c) A complete description of all noncash prizes; and

(d) The consecutive number of the prize receipt issued for each prize; and

(e) The duplicate copy of the prize receipt issued for all prizes awarded during the session or the merchandise prize receipt log; and

(f) The check number of all checks used to pay winners of bingo games. If the payment must be made by check, licensees must maintain the duplicate copy as a part of the session records; and

(g) Full details of prizes accrued; and

(7) The net gambling receipts from each bingo session; and

(8) The cash on hand at the beginning and the end of each session; and

(9) A reconciliation of cash on hand, net gambling receipts, and the bank deposit of net revenue for each session. Licensees must include a validated copy of the bank deposit receipt. Licensees must document all steps taken to reconcile overages or shortages of more than twenty dollars for any session.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-335, filed 4/24/07, effective 1/1/08.]

WAC 230-10-340 Daily records review by gambling manager. The gambling manager assigned primary responsibility for supervising the bingo session(s) must review all session records for accuracy, determine that required information is provided, and confirm the required deposit amount(s). After this review, that gambling manager must sign the record before leaving the premises on the day of the session.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-340, filed 4/24/07, effective 1/1/08.]

WAC 230-10-345 Retaining daily records. Bingo licensees must keep daily records for two years. Licensees must keep the session summary for three years.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-345, filed 4/24/07, effective 1/1/08.]

WAC 230-10-350 Recording bingo winners. Organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair, and Class A and B bingo licensees do not have to follow this rule if they meet the requirements for lower volume charitable or nonprofit organizations in WAC 230-07-125. All other bingo licensees must report all prize payments for bingo games and drawings for prizes, good neighbor prizes, and second element of chance prizes at bingo games and record payment on a prize receipt.

(1) Licensees must use prize receipts printed by a commercial printer. The receipts must:

(a) Be two-part, self-duplicating paper that provides for an original and a duplicate copy; and

(b) If the licensee is Class F or above, be imprinted with the name of the licensee and a consecutive ascending number that does not repeat in at least 100,000 occurrences; and

(c) If the licensee is Class E or below, the receipt is not required to be imprinted with the licensee's name and the consecutive ascending number may repeat in 1,000 occurrences; and

(d) Provide space for the licensee to record the information we require.

Prize receipt

(2) Operators must complete the prize receipt including, at least:

(a) Date; and

(b) Game number; and

(c) Complete name of the winner; and

(d) Complete address of the winner, if the prize is over twenty dollars; and

(e) Dollar amount of the prize or the operator's cost, if noncash prize; and

(f) Full description of all noncash prizes; and

(g) Check number, if any portion of the prize is paid by check; and

(h) Initials of the bingo worker making the payout; and

(i) Initials of the cashier making the payment.

Prize log

(3) Licensees may receipt prizes of twenty dollars or less on a single prize log. Licensees must:

(a) Maintain a separate prize log for each session; and

(b) Record the same information required on prize receipts; and

(c) Retain the prize log as a part of the bingo daily records.

Linked bingo prizes

(4) Except for linked bingo prizes, licensees may omit an address for the winner if:

(a) The licensee pays all prizes greater than \$300 by check or a combination of cash and check; and

(b) Checks are drawn on the licensee's gambling bank account; and

(c) Checks used are of a type that provides a duplicate copy. The copies must be kept as a part of the daily bingo records; and

(d) Checks are made payable only to the winner. Licensees may make checks for prizes won by players under age eighteen payable to the guardian or immediate family member accompanying the player; and

(e) Licensees note the game number and prize receipt number on the check; and

(f) The bank returns all original checks to the licensee. Licensees must have the original checks available for our inspection on demand; and

(g) The licensee does not cash or otherwise redeem prize checks.

(5) Licensees must record the complete name and address of the winner of linked bingo prizes.

(6) Licensees must:

(a) Issue prize receipts consecutively in an ascending order; and

(b) Void and retain with the daily records any prize receipts bearing a lower number than the highest number issued during a session; and

(c) Give the original of each prize receipt to the winner; and

(d) Keep a duplicate copy as a part of their records for not less than three years; and

(e) Account for and document all prize receipts purchased or otherwise obtained on a vendor's invoice; and

(f) Keep the vendor's invoice, or a photocopy of it, on the premises and have it available for our inspection. The purchase invoice must document, at least:

(i) Name of the vendor;

(ii) Name of the purchasing organization;

(iii) Date of purchase;

(iv) Number of receipts purchased; and

(v) The beginning and ending receipt number.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-10-350, filed 1/14/08, effective 2/14/08; 07-10-033 (Order 610), § 230-10-350, filed 4/24/07, effective 1/1/08.]

CASH FLOW REQUIREMENTS

WAC 230-10-355 Charitable or nonprofit organizations purpose and spending limits for bingo operations. To ensure that bingo licensees meet the intent of RCW 9.46.010 and provide adequate funds to promote charitable and nonprofit programs, bingo licensees must not allow their bingo operation to award excessive prizes or pay excessive expenses. The governing board of the organization must specifically approve all capital expenditures for the bingo operation that exceed six thousand dollars.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-355, filed 4/24/07, effective 1/1/08.]

WAC 230-10-360 Defining "bingo operation." "Bingo operation" means bingo games and all associated activities conducted with bingo games at the premises, including punch boards, pull-tabs, other authorized drawings, snack bar, retail sales activities, and rental of the bingo premises.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-360, filed 4/24/07, effective 1/1/08.]

WAC 230-10-365 Defining "adjusted cash flow from the bingo operations." "Adjusted cash flow from the bingo operation" means the combined gross income of the bingo operation minus all prizes and expenses, whether paid or accrued. Operators must not consider depreciation or amortization an expense of the bingo operation for the purposes of computing expenses.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-365, filed 4/24/07, effective 1/1/08.]

WAC 230-10-370 Adjusted cash flow limits for bingo. For the purpose of this subsection, "gross receipts" means the combined gross gambling receipts from bingo, pull-tab, and punch board activities. Bingo licensees must ensure that the adjusted cash flow from the bingo operation available for its charitable or nonprofit programs during each license year is, at least:

Gross Receipts*	Adjusted Cash Flow
(1) Above \$1,500,000 up to \$2,500,000	Three percent of gross receipts over \$1,500,000
(2) Above \$2,500,000 up to \$3,500,000	\$30,000 plus four percent of gross receipts over \$2,500,000
(3) Above \$3,500,000 up to \$4,500,000	\$70,000 plus five percent of gross receipts over \$3,500,000
(4) Above \$4,500,000	\$120,000 plus six percent of gross receipts over \$4,500,000

*If the licensee does not operate for a full license year, we may pro rate the requirements based on full quarters operated.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-370, filed 4/24/07, effective 1/1/08.]

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WAC 230-10-375 Failing to maintain a positive cash flow. (1) Bingo licensees must measure adjusted cash flow quarterly to ensure that they maintain a positive cash flow and are not operating primarily for gambling purposes.

(2) If a licensee does not maintain a positive cash flow from the bingo operation during any two consecutive license year quarters, measured independently, the director summarily suspends the organization's bingo license.

(3) If a licensee fails to meet the adjusted cash flow requirements for any calendar year, we take administrative action to revoke the organization's bingo license.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-375, filed 4/24/07, effective 1/1/08.]

WAC 230-10-380 Relief reduction for minimum annual adjusted cash flow. (1) If a bingo licensee fails to meet the minimum annual adjusted cash flow requirements for any calendar year and has maintained a positive cash flow, the licensee may apply as a credit against the required adjusted cash flow up to forty-nine percent of gambling taxes paid to local governments.

(2) If the licensee is still out of compliance, the director automatically grants relief, allowing up to twenty-five percent reduction to the annual dollar amount of required adjusted cash flow for the year, excluding the relief available in subsection (1) of this section, in which the licensee is out of compliance.

(3) No licensee granted relief is eligible to receive relief for any of the four years following the calendar year for which the director granted the relief, pursuant to subsection (2) of this section.

[Statutory Authority: RCW 9.46.070. 09-17-075 (Order 655), § 230-10-380, filed 8/14/09, effective 9/14/09; 07-10-033 (Order 610), § 230-10-380, filed 4/24/07, effective 1/1/08.]

METHODS OF RECEIPTING BINGO INCOME

WAC 230-10-385 Receipting of bingo income required. Bingo licensees must account for all income from bingo games at the time they receive the income. Licensees must issue each player a receipt for the amount paid to play in each game or set of games at the time of payment. Players must keep this receipt to prove that they have properly purchased the number of cards they are playing.

(1) Class A, B, and C licensees, organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair may use the receipting method for bingo income in WAC 230-07-125 or any of the methods for receipting bingo income required for Class D or above licensees; and

(2) Class D and above licensees must use the receipting method for bingo income required for the bingo games they are offering:

- (a) The disposable bingo card receipting method; or
- (b) The cash register receipting method; or
- (c) The electronically generated receipting method; or
- (d) The ticket receipting method; or
- (e) The combination receipting method.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-385, filed 4/24/07, effective 1/1/08.]

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WAC 230-10-390 Disposable bingo card method for receipting bingo income required when disposable bingo cards used. Bingo licensees must use the disposable bingo card method to receipt for bingo income when disposable bingo cards are used. Licensees using the disposable bingo card method to receipt for bingo income must:

- (1) Use bingo cards that meet all disposable bingo card requirements; and
- (2) Complete the inventory control record; and
- (3) Record for each set of cards or sheets intended for playing a single game, including on-the-way games:
 - (a) Serial number; and
 - (b) The color and/or border pattern; and
 - (c) The value of each card or sheet; and
 - (d) The lowest consecutive card or sheet number issued as a receipt; and
 - (e) The last card or sheet number issued as a receipt; and
 - (f) Missing cards or sheets per the manufacturer's packing record; and
 - (g) The number of cards returned and not issued; and
 - (h) The number of cards issued as receipts; and
 - (i) The total gross gambling receipts from all cards issued as receipts; and
- (4) Record for each set or collation of packs or packets of cards sold and intended for playing a defined set of games:
 - (a) The serial number of the top sheet or page of the packet; and
 - (b) The color and/or border pattern of the top sheet or page of the packet; and
 - (c) The lowest consecutive card, sheet, or packet number for the first packet issued as a receipt; and
 - (d) The card, sheet, or packet number of the last or highest packet issued as a receipt; and
 - (e) The number of packets issued as receipts; and
 - (f) The number of packets returned and not issued; and
 - (g) Missing packets per the manufacturer's packing record; and
 - (h) The value of each packet; and
 - (i) The total gross receipts from all packets issued as receipts; and
- (5) Record each disposable card issued for each type of sale separately. When more than one card or sheet number appears on a sheet of cards, licensees must use the manufacturer's designated control system to determine the beginning and ending number sold. Each time the numbering of the sheets breaks in the set, licensees must make a separate entry in the records; and
- (6) Consecutively issue each disposable card or sheet or packet of cards from the same set at each individual sales point. Licensees may sell these cards, sheets, or packets not issued during a session only at the next bingo session. Otherwise, licensees must retain these cards, sheets, or packets of cards for at least one year; and
- (7) Return unsold cards issued to the operator for a linked bingo prize to the linked bingo prize provider. The linked bingo prize provider must store these cards six months or until we have examined and approved them for destruction, whichever is less. Unopened blocks of two hundred fifty cards may be reissued.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-390, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-390, filed 4/24/07, effective 1/1/08.]

WAC 230-10-395 Cash register method of receipting for bingo income. Bingo licensees may use a cash register to record bingo income if the cash registers:

- (1) Have separate keys to record each type of sale; and
- (2) Store and compute a total for each type of sale recorded and is capable of providing the total on request; and
- (3) Retain in the memory unit all transactions recorded during a session, regardless of whether or not the cash register power source is interrupted; and
- (4) Record all transactions, customer receipt numbers, and control totals on the internal tape retained in the cash register. The licensee must keep the internal tape, showing these transactions, as part of the daily bingo records; and
- (5) Assign and imprint on the customer receipt and internal tape a minimum four-digit consecutive number for every sales transaction processed. Only cash register service personnel may reset this numbering system and the numbering system must not return to zero at the conclusion of any period of use or power interruption. If licensees receive written approval from us before use, they may use cash registers that do not meet these requirements but have adequate alternative control features; and
- (6) For Class D and above licensees, imprint a minimum three-digit consecutive number on the customer receipt and internal tape to note each time transactions are totaled or when a set of transactions are totaled and closed. If licensees receive written approval from us before use, they may use cash registers that do not meet these requirements but have adequate alternative control features.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-395, filed 4/24/07, effective 1/1/08.]

WAC 230-10-400 Customer receipts for cash register method of receipting for bingo income. Bingo licensees must imprint at least the following on customer receipts:

- (1) The date; and
- (2) The name of the licensee operating the activity; and
- (3) The separate amount of money paid to play each type of game; and
- (4) The total amount of money paid; and
- (5) The consecutive customer receipt number.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-400, filed 4/24/07, effective 1/1/08.]

WAC 230-10-405 Retaining cash register receipts for cash register method of receipting for bingo income. (1) Bingo licensees must keep all cash register receipts for voids, overruns, returns, "no sales," and any other receipts not issued to a player as part of the daily bingo records.

(2) If a cash register is used to receipt activities other than bingo, licensees must keep the internal cash register tapes for not less than two years and have them available for our review on request.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-405, filed 4/24/07, effective 1/1/08.]

WAC 230-10-410 Electronically generated bingo card method of receipting bingo income. Bingo licensees may use the electronically generated bingo card method of receipting to document bingo income if the sales transaction and issuing cards to players are completed at the same time. Otherwise, licensees must use the combination receipting method.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-410, filed 4/24/07, effective 1/1/08.]

WAC 230-10-415 Electronically generated bingo card method of receipting for bingo income requirements. Bingo licensees using the electronically generated bingo card method of receipting to document bingo income must:

- (1) Summarize and print all transactions recorded during a bingo session in a permanent record at the end of each session. This record must provide, at least:
 - (a) The beginning and ending card number; and
 - (b) The beginning and ending transaction number; and
 - (c) The total number of cards sold; and
 - (d) The total number of sales transactions; and
 - (e) The total dollar amount of sales for each type of sale; and
 - (f) The total dollar amount of sales; and
 - (g) The number and dollar amount of all voids, over-rings, or sale returns;
- (2) Imprint all electronically generated cards or sheets of cards with a control system that includes, at least:
 - (a) A card number assigned to each card. Each sheet of cards must be assigned a consecutive transaction number that does not repeat in less than 999,999 transactions; and
 - (b) The name of the licensee; and
 - (c) The time and date of the transaction; and
 - (d) The game number; and
 - (e) The amount paid for the opportunity to play each game; and
 - (f) The total amount paid; and
 - (g) The manufacturer assigned numbers and card number or, if printed for a player selection game, the numbers the player selected; and
- (3) Use a computer to store bingo cards and interface with a printer. The computer must:
 - (a) Retain in memory a record of all transactions occurring during a session until the operator has totaled, printed, and cleared the transactions, regardless of whether the primary power source is interrupted; and
 - (b) Compute a total of all transactions occurring during the current session and print out the total on request; and
 - (c) Maintain and control the time and date of sale and transaction number in a manner that prohibits change or resetting except by the manufacturer or qualified service personnel. Licensees must retain a detailed record, supported by service documents for each service call involving a change of the time, date, or transaction number; and
 - (d) Secure the electronically stored bingo cards in a manner that prevents an operator or player from modifying them. Licensees must not exchange, transfer, refund, or modify the price of cards issued to a player in any way after completion of the sales transaction. Cards must be stored on erasable programmable read only memory (EPROM), compact disc read

only memory (CDROM), write once read many disc drives (WORM), or other systems we approve.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-415, filed 4/24/07, effective 1/1/08.]

WAC 230-10-420 Ticket method of receipting bingo income. Bingo licensees may use tickets to document receipts of bingo income. Tickets must be:

- (1) Manufactured by a commercial printer and imprinted with:
 - (a) At least four digit numbers in a consecutive series. Class F and above licensees must use tickets with numbers that do not repeat in at least 99,999 occurrences; and
 - (b) Each ticket on a roll must represent the same dollar value or amount of money; and
 - (c) Include the name of the licensee operating Class F and above bingo game; and
- (2) If used by Class F or above licensees, purchased from a licensed distributor or manufacturer; and
- (3) Issued consecutively from each roll, starting with the lowest numbered ticket; and
- (4) Accounted for by the licensee. If purchased from a commercial business or licensed distributor, documentation must be on the sales invoice. This invoice, or a photocopy, shall be maintained on the premises and available for inspection. Document the following information on the sales invoice for each roll of tickets purchased:
 - (a) Name of distributor; and
 - (b) Name of purchasing licensee; and
 - (c) Date of purchase; and
 - (d) Number of rolls of tickets purchased; and
 - (e) The color, dollar value, total number of tickets, and beginning ticket number for each roll; and
- (5) Recorded in the daily records in the format we require; and
- (6) Retained by the licensee as a part of the bingo daily records for those not issued as receipts and that bears a number falling below the highest numbered ticket issued during that session and not be used to receipt for any type of income; and
- (7) Not be the same color and imprinted with the same ticket number as any other ticket on the premises.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-420, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-420, filed 4/24/07, effective 1/1/08.]

WAC 230-10-425 Ticket method of bingo receipting for bingo income restrictions. (1) All bingo licensees may use the ticket method of receipting bingo income for drawings and good neighbor prizes offered at their bingo games.

(2) Class E and below licensees may use the ticket method for games operated with hard cards and for bonus games.

(3) Class F and above licensees may use the ticket method for bonus games as a part of the combination receipting method.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-425, filed 4/24/07, effective 1/1/08.]

WAC 230-10-430 Keeping an inventory record for the ticket method of bingo receipting. (1) Bingo licensees

must keep an inventory record in the format we require for all tickets used for income receipting.

(2) Licensees must enter all ticket information on the inventory record in the format we require before the beginning of the next bingo occasion.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-430, filed 4/24/07, effective 1/1/08.]

WAC 230-10-435 Combination receipting method of receipting bingo income. (1) Bingo licensees may use a receipting method that combines cash register receipting with another approved method of receipting bingo income.

(2) Class F and above licensees must use combination receipting for income from sales of:

- (a) Disposable bingo card packets; and
- (b) Disposable bingo card sheets from a set of bingo cards divided into subgroups; and
- (c) Electronically generated bingo cards, if sales transactions and issuing of cards are not completed and documented at the same time; and
- (d) Bonus games.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-435, filed 4/24/07, effective 1/1/08.]

WAC 230-10-440 Combination receipting method for bingo income requirements. (1) Bingo licensees using the combination method of receipting for bingo income must follow all requirements for cash register receipting; and

(2) Licensees may sell similar cards used to play for the same prize at a volume discount, but they must record each separate discount price using a separate cash register or sales identification key to provide an audit trail; and

(3) If receipting for the sale of disposable bingo cards, licensees must:

- (a) Follow all requirements for disposable bingo card receipting; and
- (b) In addition to those requirements, record the following for each session where sets of cards are sold:
 - (i) The session number and date; and
 - (ii) The beginning and ending control numbers of the top page of the packets; and
 - (iii) Adjustments for any missing packets, compared to the manufacturer's packing record; and
 - (iv) The number of packets distributed to sales points and returned as unsold; and
 - (v) Total packets sold; and
 - (vi) The value of each packet; and
 - (vii) The extended value obtained by multiplying total packets issued times the value of each packet; and
 - (viii) The cumulative number of packets issued from the series to date; and

(c) Consecutively issue each disposable card or sheet or packet of cards from the same set at each individual sales point. If sets are divided into subgroups, then licensees must issue packets or sheets of cards within each subgroup consecutively from each subgroup. Licensees may sell these cards, sheets, or packets not issued during a session only at the next bingo session. Otherwise, licensees must retain these cards, sheets, or packets of cards for at least one year; and

(d) Record all required information in the inventory control record; and

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(e) Carry forward the totals from the transaction record to the daily bingo summary and reconcile sales against the cash register record; and

(4) If receipting for electronically generated bingo cards, licensees must:

(a) Follow all requirements of electronically generated bingo card receipting; and

(b) Carry forward the totals from the transaction record to the daily bingo summary and reconcile sales against the cash register record; and

(5) If receipting for bonus games, licensees must:

(a) Follow all requirements of ticket receipting; and

(b) Consecutively issue tickets from each sales point. Licensees must retain tickets from each sales point with control numbers lower than the highest ticket issued at that sales point as a part of the daily bingo records; and

(c) Carry forward the totals from the transaction record to the daily bingo summary and reconcile sales against the cash register record.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-440, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-440, filed 4/24/07, effective 1/1/08.]

LINKED BINGO GAMES AND PRIZES

WAC 230-10-445 Linked bingo games. (1) A linked bingo prize provider must request and receive approval from us before allowing a bingo operator to participate in a game that offers a linked bingo prize.

(2) Operators must not offer more than one linked bingo game per session or no more than three linked bingo games per day.

(3) The linked bingo prize provider must notify us within seven days when an operator stops participating in linked bingo prize games.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-445, filed 10/22/07, effective 1/1/08; 07-10-033 (Order 610), § 230-10-445, filed 4/24/07, effective 1/1/08.]

WAC 230-10-446 Defining "linked bingo prize."

"Linked bingo prize" means a prize that is awarded to a player who is competing against players from multiple participating bingo halls. The categories of prizes are:

(1) The main prize, which is the prize paid each time the game is played to the first verified winner(s);

(2) The consolation prize, which is the prize paid at each participating licensed bingo hall after the main prize has been determined; and

(3) The bonus prize, which is a prize awarded when a player achieves the winning pattern in a predetermined number of calls or on a specific predetermined number.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-10-446, filed 1/14/08, effective 2/14/08.]

WAC 230-10-447 Prizes in linked bingo prize games.

(1) Operators may have up to forty-eight hours to award a main or bonus prize to the winner(s); and

(2) Linked bingo prize providers may establish a consolation prize amount paid at each participating location. Participating licensees whose sales volume does not meet the

minimum set out in WAC 230-10-455(2) may pay a consolation prize that is less than this amount; and

(3) For all linked bingo prize games, a winner must be determined at each premises which sells cards to participate in the game.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-447, filed 10/22/07, effective 1/1/08.]

WAC 230-10-451 Recordkeeping for linked bingo prize games. (1) Class A, B, or C bingo licensees participating in linked bingo games must maintain all records required for Class D bingo licensees for all their bingo operations; and

(2) For funds contributed to accrued linked bingo prizes, licensees must modify each bingo game daily record to include, at least:

- (a) The amount of the contribution; and
- (b) The amount of any consolation prize the licensee paid for a linked bingo prize game; and
- (c) The name of the linked bingo prize provider to whom the contribution is made.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-451, filed 10/22/07, effective 1/1/08.]

WAC 230-10-456 Additional accounting records for linked bingo prize providers. In addition to other accounting records, linked bingo prize providers must keep records in the format we require for:

- (1) Each prize offered; and
- (2) Equipment installed at participating licensees' locations that includes at least:
 - (a) The name and address of the licensee where the equipment is installed; and
 - (b) A physical description of the equipment and its cost; and
- (3) All bingo cards purchased or otherwise obtained, where the cards were distributed, and the date the cards were used; and
- (4) Video recording of each drawing in the previous one-year period that shows, at least:
 - (a) The ball selection process, including the numbers drawn; and
 - (b) All body movements of the caller.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-456, filed 10/22/07, effective 1/1/08.]

WAC 230-10-457 Activity reports for linked bingo prize providers. Linked bingo prize providers must submit activity reports to us twice a year for their sales and services. The activity reports must be in the format we require and must:

- (1) Cover the periods:
 - (a) January 1 through June 30; and
 - (b) July 1 through December 31; and
- (2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period; and
- (3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares the report, the preparer must print his or her name and business telephone number on the report; and

(9/9/1)

(4) Submit a report for any period of time their license was valid, even if they had no activity or did not renew.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-10-457, filed 10/22/07, effective 1/1/08.]

SHARING BINGO FACILITIES WITH OTHER CHARITABLE OR NONPROFIT ORGANIZATIONS

WAC 230-10-460 Shared bingo facilities. Multiple bingo licensees must enter into a written agreement before sharing a facility. Before operating in a shared facility, licensees must:

- (1) Send us written notification of intent to share facilities at least thirty days before operating bingo in a shared facility. The notification must include, at least:
 - (a) The name of all organizations sharing the facility; and
 - (b) Names and signatures of the highest ranking officer for each organization involved; and
 - (c) Copies of any written agreements between organizations; and
 - (d) The method used to share expenses.
- (2) Maintain management over their individual gambling activities.
- (3) Be solely responsible for their individual records, inventory, management, equipment, and operation of the gambling activities for which they hold a license.
- (4) Complete a separate quarterly activity report according to the gambling receipts and expenses it is responsible for under the terms of the written agreement between the licensees.
- (5) Locate their head office or principal location in the same county where they operate bingo, or as otherwise defined in RCW 9.46.0205.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-460, filed 4/24/07, effective 1/1/08.]

WAC 230-10-465 Sharing facilities and using the cash register system of receipting bingo income. Multiple bingo licensees sharing a facility may use a single cash register if the licensees maintain a log of, at least, the following:

- (1) Name of the organization using the register; and
- (2) Date; and
- (3) Beginning and ending transaction numbers; and
- (4) Beginning and ending time; and
- (5) Name and signature of the cashier at the end of use.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-465, filed 4/24/07, effective 1/1/08.]

WAC 230-10-470 Sharing management and accounting for shared bingo facilities. Before operating under shared management and facilities, bingo licensees must meet the following requirements:

- (1) No more than three bingo licensees may share a facility.
- (2) Licensees must send us a written notification of the intent to share facilities at least thirty days before operating in a shared facility. The notification must include, at least:
 - (a) The name of the lead organization and lead manager; and
 - (b) Name of all organizations sharing the facility; and

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(c) Names and signatures of the highest ranking officer for each organization involved; and

(d) Copies of any written agreements between organizations; and

(e) The method for sharing the gross gambling receipts, net income, expenses, and prizes among the licensees.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-475, filed 4/24/07, effective 1/1/08.]

Management

(3) All managers of the bingo operation must be full and regular members or employees of at least one of the participating organizations.

(4) Nonprofit gambling managers must not participate in the operation of bingo games at more than one bingo facility.

Accounting

(5) The lead organization must maintain the records clearly disclosing the amount of money the bingo operation received and expended. Expense records must make known the purposes for which the organization spent money.

(6) The lead organization must establish and maintain a separate bank account to which it will deposit all proceeds from the bingo operation and from which it will pay all of the expenses in connection with the bingo operation, including at least, all payments of prizes.

(7) Each licensee must keep records of gambling proceeds received from the bingo operation and the use of those proceeds towards the stated purpose of the organization.

(8) Each licensee must complete a separate quarterly activity report according to the percentage of gambling receipts and expenses it is responsible for under the terms of the written contract between the licensees.

[Statutory Authority: RCW 9.46.070. 07-10-033 (Order 610), § 230-10-470, filed 4/24/07, effective 1/1/08.]

SHARING BINGO FACILITIES WITH FOR-PROFIT BUSINESSES

WAC 230-10-475 Operating bingo in a for-profit business premises. (1) Bingo licensees may operate bingo in a for-profit business if the:

(a) Bingo portion is separate and apart from the for-profit business portion. A transparent or solid barrier not less than seven feet high with no more than two openings must separate the two portions. Each opening must be no more than six feet in width; or

(b) For-profit business is closed when bingo games are operated.

(2) When the sale, service, or consumption of liquor is permitted in the for-profit business, the liquor licensee or permittee is responsible for complying with liquor laws and regulations.

(3) Commercial stimulant pull-tab licensees must not sell pull-tabs in the bingo portion of the premises. Pull-tab players may take the pull-tabs into the bingo portion. Players must select and purchase the pull-tabs and operators pay prizes in the for-profit business portion.

(4) The owner, manager, or any employee of the for-profit business must not be an officer of the organization or participate in the operation of the bingo games on those premises.



STATE OF WASHINGTON
GAMBLING COMMISSION

"Protect the Public by Ensuring that Gambling is Legal and Honest"

BINGO RECORDS – CLASS A, B AND C

Dear Bingo Licensee:

Your low volume bingo class is exempt from daily records as long you comply with WAC 230-07-125, which requires that monthly records be kept.

- These monthly records must contain:
 - Detail of the gross receipts
 - Total amount of cash prizes paid
 - Cost of all merchandise prizes actually paid out
 - Summary of all expenses directly related to the bingo game
 - The net income received from the activity, the purpose (s) for which the net income was raised, and the amount paid to each recipient
- You will be required to report this information on an annual activity report form, which will be mailed to you two weeks prior to the end of your license year.
- All gambling records must be kept for a period of at least three years.

While there is no daily record keeping format required for your class of bingo, you can find a recommended format on our website under "Daily Bingo Records - Standard Format". Many bingo operators have found these forms to be helpful in collecting each session's data in order to prepare the required monthly records. You may revise any of the documents to accommodate your bingo game format.

If you have further questions, please contact the Gambling Commission regional office in your area.

Everett.....(425) 304-6300

Spokane(509) 325-7900

Tacoma.....(253) 671-6280

Headquarters Office – Lacey (360) 486-3440 or 1-800-345-2529

MANDATORY BINGO LICENSEE TRAINING – CLASS A, B, & C

General Rules

WAC 230-06-130	Make sure your organization does not exceed the annual gross receipts for your license class,
WAC 230-06-095	No change of name may be made without advance notice to the Commission.
WAC 230-06-100	No change of location may be made without written consent.
WAC 230-06-105	You must notify the Commission within 30 days of changes in management (change of officers annually).
WAC 230-06-065	Gambling license must be current and prominently displayed where the participants can see it.
WAC 230-06-075	Your premises, and all of your records and devices are subject to Commission/local law enforcement inspection.
WAC 230-06-010 WAC 230-06-020	Liquor and firearms cannot be awarded as prizes in bingo games.
WAC 230-06-030 WAC 230-06-031	Authorized gambling promotions.
WAC 230-06-035	You may not offer credit, provide gifts, or make loans to players (this includes NSF checks).
WAC 230-06-065	Current Commission rules must be available to your staff and the public during all periods bingo is conducted.
RCW 9.46.071 WAC 230-06-085 WAC230-06-090	Required problem Gambling information disclosure. Civil and criminal suits against, or filed by, your organization and officers must be reported to the Commission, with several exceptions.
WAC 230-07-010	Bingo proceeds must be used for those purposes listed in your bylaws and articles. Payments to specific individuals require prior approval if not denoted in your license application.
WAC 230-07-085	Wages and rent are reasonable and not based upon a percentage of the bingo receipts.
WAC 230-10-370 WAC 230-10-375	All Bingo operators must maintain a positive cash flow for their bingo operation.

Operational Rules

WAC 230-10-105 WAC 230-10-110	Before players buy their cards, you must disclose house rules, costs to participate and prizes available. Disclosure means prominently displayed. Also, any advertisements must disclose all contingencies which may change the prizes being offered.
WAC 230-10-085	Employees can work in more than one game as long as the Commission is notified.
WAC 230-10-085	Managers can work in other A, B, or C games as long as they are strictly volunteer. NOTE: There is no requirement that managers be licensed in Class A, B or C bingo games.
WAC 230-10-085	Employees of A, B, or C games may be compensated for work in Class D or above games.
WAC 230-06-045	If bingo is conducted on a business premises, then the game must be separated (in another room) from the retail premises, i.e., a restaurant.
WAC 230-10-100	Your bingo premises cannot be used for bingo between 2:00 A.M. and 6:00 A.M.
WAC 230-06-010	All bingo workers must be 18 years or older. Players under the age of 18 must be accompanied by immediate family or legal guardian.
WAC 230-10-090	Paid bingo employees cannot play bingo where they work. Volunteer workers may play bingo during the same occasion they work.
WAC 230-06-031	Drawings, good neighbor games, and second element of chance schemes are allowed with certain restrictions.
WAC 230-10-065	When playing bingo the following is required: Bingo balls must be randomly selected (a bingo blower is not required);
WAC 230-10-060	Seventy five equally weighted and properly numbered bingo balls must be used;
WAC 230-10-070	A flashboard is not required;
WAC 230-10-030	Bingo cards must be pre-printed, manufactured cards with 25 spaces and 5 even columns; and Mark-your-own cards are allowed with certain specifications.
WAC 230-10-135 WAC 230-10-115	Cards must be sold or given out immediately preceding the session in which they are played;
WAC 230-10-115	Except for Bonanza games, cards must be sold and paid for or given to players prior to the start of bingo games;

Operational Rules (Continued)

- WAC 230-10-130 Except for disabled players, no cards may be reserved;
- WAC 230-10-140 The caller must display the called bingo balls to the players;
- WAC 230-10-140 Each ball must be called before drawing another ball;
- WAC 230-10-145 No bingo prize may be determined other than by the matching of cards to called bingo balls;
- WAC 230-10-155 Winning bingo cards must be verified by a neutral player;
- WAC 230-10-160 If you have a bingo blower and shut it off when verifying a bingo, you must hold the next ball pending winner verification;
- WAC 230-10-170 All prizes won must be awarded by the end of each session;
- WAC 230-10-170 All merchandise prizes must be paid for or be under a purchase contract prior to being offered as prizes.
- WAC 230-10-120 If you have or may have duplicate cards, you must post a notice that
WAC 230-10-130 duplicate cards are in play.

Records and Report Rules

- WAC 230- 07-125 You must maintain your accounting records for three years following the end of your fiscal year.
- WAC 230- 07-125 You are only required to maintain gambling information by month for gross gambling receipts, prizes paid (both cash and merchandise), related expenses and net income.
- WAC 230-07-155 Your organization must complete an Annual Activity Report, which will be furnished by the Commission- On this report you must record gross gambling receipts, net receipts, prizes paid (both cash and merchandise), related expenses and net income.

Banking Requirements

- WAC 230-07-090 If your organization holds only a Class A, B, or C Bingo license, A, B, C, or D raffle license or A, B, or C Amusement Game license, you do not have to maintain a separate gambling receipts account.
- WAC 230-07-090 Otherwise, you must maintain a separate gambling receipts account and deposit bingo funds to this account within two banking days following the bingo session.

BINGO

EXCEPTIONS AND RULES FOR LOWER VOLUME LICENSEES

WAC

License Class A, B, & C

230-07-125	Reduced record keeping requirements. Maintain monthly total's for gross receipts prize, paid expenses and net income
230-07-140	Exempt from double entry accounting
230-20-070 230-10-085 230-10-090	Volunteers, paid employees including managers for an A, B or C Bingo may work at another A, B or C licensed game as non-paid workers. Written notice to the commission and local law enforcement required.
230-10-330	Exempt from receipting for income on daily basis.
230-10-330	Exempt from ticket logs, disposable card receipting and prize receipts.
230-20-120	May provide for free food and drink.
230-07-090	Exempt from separate gambling bank account when no other gambling license is held.
230-07-090	Expenditures allowed before deposit.
230-07-090	No time limit before deposit.
230-07-090	No validated deposit slip required.
230-10-090	May allow unpaid workers to participate in game as player, during the session they work.
230-10-065 230-10-070	Exempt from use of bingo blower and flash board.
230-06-055	Exempt from law enforcement notice.
230-07-125	Exempt from daily records if licensee complies with WAC 230-07-155. Records must be maintained on a monthly basis.
230-07-125	Exempt from quarterly reports if licensee complies with WAC 230-07-155.
230-10-075	Exempt from licensed manager on premises.
230-07-155 230-07-160	Only annual activity reports required.